

Syria offers terms for resolving crisis in Lebanon

From Robert Fisk, Geneva

Syria is prepared to throw its support behind a new military agreement, between the Lebanese and Israeli Governments guaranteeing the security of Israel's northern border in return for the freezing of the unofficial peace treaty between the two countries.

In a remarkable development at the Lebanese reconciliation conference yesterday - and against all predictions - Mr Abdul Halim Khaddam, the Syrian Foreign Minister, made it clear to President Amin Gemayel of Lebanon that the Syrians would fully accept a new pact that would also demand security for southern Lebanon from Israeli encroachments but would be formally negotiated between senior Lebanese and Israeli army officers.

Ostensibly the proposal for a new agreement comes from the three pro-Syrian Lebanese leaders belonging to the so-called National Salvation Front, but there is no doubt that the initiative was Syria's.

Such initiatives always have far-reaching effects in the Middle East, and the most immediate of them came yesterday when a fierce attack was launched against the PLO guerrillas still loyal to Mr Yasser Arafat in the Lebanese city of Tripoli.

As anti-Arafat Palestinians, apparently supported by Syrian regular troops, bombarded Mr Arafat's last redoubt, Mr Khaddam was able to demonstrate, at least to the satisfaction

of Lebanese opposition politicians, that Syria was now in almost total control of the PLO and could prevent any further PLO activity in southern Lebanon.

At the very moment that the nine delegates were debating the proposal for a new agreement with Israel, Phalangist forces outside Beirut began firing at Druze positions in the Chouf mountains.

Sensing that the Geneva conference might be about to reach agreement, Druze leaders attending the conference used a radio-telephone link from the Intercontinental Hotel here to their own militia officers in the Chouf. "There are developments going our way", one Druze official shouted down the phone to the heavily shelled town of Alep. "Don't open fire."

The two principal Christian Maronite leaders in Geneva - Mr Pierre Gemayel of the Phalangist and Mr Camille Chamoun - were under great pressure last night to accept the apparent compromise proposal, while President Gemayel himself was said to be on the point of accepting it. Like the Americans, however, he deeply distrusts the promises of Syria's ruthless regime.

According to conference sources, the May 17 Lebanese-Israeli withdrawal agreement - the unofficial "peace" treaty which Israel and the United States have declared sacrosanct - would be referred to "further discussion" to a new Lebanese

government of national unity led by President Gemayel and to the Lebanese Parliament. Lebanese Government officials would claim that Israel had already breached the agreement - by withdrawing precipitately from the Chouf and by setting up militias in southern Lebanon - and the pact would then be effectively frozen out of existence.

Israel would almost certainly reject any idea of a new military agreement, but if President Gemayel accepts the opposition - and Syria - formula, he could then call upon the US, which has vowed to support the legitimate Lebanese authorities, to back Lebanon's demand for a new military agreement with Israel. It would then be up to President Reagan, as Lebanon's guarantor, to overrule Israel's objections - much, of course, to Syria's satisfaction.

The Syrians have made no public comment outside the conference here, but Mr Khaddam has repeatedly told delegates that Syria was not issuing an ultimatum over the May 17 agreement.

President Gemayel believes that the Syrians are doing just that, although Mr Khaddam has spent much of his time telling delegates that Syria - far from originally accepting the Lebanese-Israeli treaty - had always opposed the idea. He has accused Mr Elie Salem, the Lebanese Foreign Minister, of

Continued on back page, col 4



The homecoming: President Fidel Castro at Havana airport, comforting a wounded Cuban evacuated from Grenada on board a Red Cross aircraft.

Nicaragua's fears ridiculed

From Nicholas Ashford, Washington

President Reagan yesterday rejected charges by the left-wing government of Nicaragua that the United States was planning to invade Nicaragua in the wake of the successful intervention in Grenada.

"I haven't believed anything they've been saying since they got in charge, and you shouldn't either," he told a White House press conference.

He added that he could not foresee any similar situation arising in the Caribbean or Central America, that would oblige him to use armed intervention.

A total of 18 Americans were killed and 89 wounded during the invasion of Grenada. President Reagan said they were "heroes of freedom".

He heaped praise on the performance of the American troops, but castigated reporters who continued to describe it as an invasion. It was not an invasion, he declared, but a "rescue operation" and a "act of liberation", apparently overlooking the fact that he had used the term "invasion" when he first announced that US forces had landed on October 25.

The President also reacted angrily to a reporter's suggestion that the US action on Grenada was similar to the 1979 Soviet invasion of Afghanistan and that the US had lost the "high moral ground" in its confrontation with Moscow.

"Oh, for heavens sake," the President exclaimed, saying that the Soviet Union had appointed its own man to run Afghanistan, had used vicious forms of warfare, including chemical weapons, to subjugate the population, and had deliberately killed women and children.

He also pointed out that Soviet troops were still in Afghanistan four years later whereas American forces would soon be removed. The US action was intended to rescue 1,000 Americans on the island and to "liberate" Grenadians who, he said, were "giving every evidence of appreciation and gratitude to our men".

Announcing that hostilities had ended and all US objectives had been achieved, Mr Reagan ordered American troops to start a phased withdrawal from the island beginning later yesterday or today.

Howe offers troops for Caribbean

By Anthony Bevins, Political Correspondent

Sir Geoffrey Howe, the Foreign Secretary, indicated yesterday that the Government would be willing to send troops or police to Grenada, if security assistance was requested by an interim administration.

He also told the Commons in a debate on foreign affairs that he intended to pursue an initiative, with Commonwealth and other allies, which could provide security back-up for small states, like Grenada, which were vulnerable to political or military hijack.

It was said last night that the speech, which will do something to mend the Foreign Secretary's shaky reputation, had been designed to maintain the sense and caution of British foreign policy. There was no movement from the previous insistence that there would be neither support nor condemnation of the initial invasion of Grenada.

But Sir Geoffrey's announcement of a series of constructive offers to Sir Paul Scoon, the Governor-General, did something to pacify his backbench critics.

Sir Geoffrey said that help was being offered to Sir Paul in setting up an interim administration in the organization of free and fair elections, and in the security arrangements which would be necessary to make the transition to democracy peaceful.

Referring directly to the security mission, which would

Jobless total falls by 73,400

By Frances Williams, Economics Correspondent

The number of people out of work fell by 73,441 last month to 3,093,998 - 13 per cent of the workforce.

This is the biggest October drop for five years, and there are clear signs that the steady increase in the underlying jobless total may be coming to an end.

Unemployment normally falls in October, as summer school-leavers find jobs and companies take on workers after the holiday season. But even after excluding school-leavers and allowing for seasonal factors, the number of adults out of work declined by 10,100 to 2,941,200 (12.3 per cent of the workforce), the second drop in the underlying jobless total in the last three months.

Between August and October, seasonally adjusted adult unemployment fell by an average of 2,300 a month, ending four years of uninterrupted increase.

Ministers gave the figures a cautious welcome yesterday. Mr Tom King, the new Employment Secretary, said further falls could not be guaranteed and gave a warning that the January crude total would show a sharp rise for seasonal reasons. But, privately, Whitehall officials are confident that unemployment is nearing a plateau.

Mr King, in a statement, said there were some "distinctly encouraging" signs in the job market, citing increased vacancies, fewer redundancies, more overtime and a sharp reduction in short-time working.

But he added: "Of course, even if unemployment does level off, the real goal - steadily falling unemployment - will only be reached if Britain proves it can compete in world markets."

Recent improvements in productivity and competitiveness must be improved on if unemployed people "are to be helped back into jobs in any substantial way", he said, and repeated his call this week for lower pay deals.

The increase in the underlying jobless trend has been slowing as the improvement in the economy has gathered pace. Over the past six months, adult unemployment has been rising at about 9,000 a month, compared with 28,000 a month the previous year.

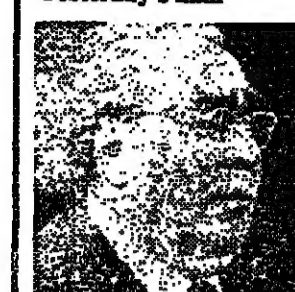
Unfilled vacancies have increased steadily over the past year or so, up nearly 50 per cent in October from 12 months earlier. And the number of jobs in the economy, including people working for themselves, has begun to rise, by 18,000 in the second quarter of this year.

A big expansion of government employment and training schemes has also helped to stem the rise in the numbers out of work. Officials estimate that in

Continued on back page, col 6

Referendum triumph for Botha

After his resounding white-only referendum victory, Mr P.W. Botha, the South African Prime Minister, yesterday said he hoped the new constitution, would be implemented next year. It gives limited political rights to Coloureds and Indians, but excludes blacks. Page 6



One year on in Moscow and Brezhnev is forgotten

The Irish connexion After the Falklands - putting Anglo-Irish relations back on course. Then there were four. Today, four British clubs know their fate in the UEFA Cup draw.

Referendum triumph for Botha

After his resounding white-only referendum victory, Mr P.W. Botha, the South African Prime Minister, yesterday said he hoped the new constitution, would be implemented next year. It gives limited political rights to Coloureds and Indians, but excludes blacks. Page 6

Thatcher chosen

Mrs Margaret Thatcher was nominated for reelection as leader of the Conservative Party within minutes of an announcement that an election must be held between three and six months after the start of the parliamentary session.

Opera director

The Dutch conductor Mr Bernard Haitink, musical director of Glyndebourne Festival Opera, is to succeed Sir Colin Davis as the next music director of the Royal Opera. Page 3

Nilsen jury out

The jury in the Dennis Nilsen murder trial will continue their deliberations today after failing to reach a verdict. Page 2



Walesa proxy

Mr Lech Walesa has decided not to go to Oslo to receive his Nobel peace prize, and has suggested that his wife, Danuta, should go instead. Page 7

Exocet blamed

A Greek shipping company claimed that one of its cargo ships damaged by Iraqi fire in the Gulf may have been hit by an Exocet missile. Super-Standards, page 6

Carson cleared

Champion jockey Willie Carson was cleared of careless riding by the Jockey Club yesterday and afterwards he spoke to Michael Seely. Page 23

Leader page, 13
Letters: On Sellafield, from Mr C. Allday, and Professor Margaret Donaldson-Salter, Grenada, from Lord of Home of The Hirsell
Leading articles: Foreign affairs debate; Privatization; Poland Features, pages 10, 11, 12
Literary contents: Malcolm Bradbury on winners and losers; Gun law at Greenham Common by Bernard Levin; Flying the Flag in Buenos Aires
Obituary, page 14
The Right Rev Lakshman Wickremesinghe, Professor A. P. Waterson
Special Report
Italy: A six-page Special Report examines the problems facing Italy's first Socialist Prime Minister
Your Own Business: How the librarian's wine bar was saved and a tale of fashionable Christmas trees. Page 19

Home News	2-5	Motoring	25
Overseas	6-9	Parliament	4
Arts	14, 18	Press Books	2
Arts	15	Sale Rooms	7
Business	16-21	Science	14
Court	24	Sport	21-23
Crossword	28	TV & Radio	27
Daily	12	Theatre, etc	27
Law Report	24	Weather	28

New entry procedure for Oxford

From Our Correspondent, Oxford

A new entrance procedure to Oxford University is to start in 1985 after the 28 colleges admitting undergraduates yesterday accepted reforms that are seen as the most important changes for 20 years.

The most controversial element is the abolition of the post A level entrance examination, said by its opponents to favour pupils from independent schools who have more opportunity for special cramming. All Oxford candidates will have to sit the examination in their fourth term in the sixth forms.

But applicants will still be able to apply via a "no examination" route; colleges will still be able to make conditional offers based on A level results, providing applicants meet the university's overall matriculation requirements.

Examination by interview will also be open to those who have taken their A levels and colleges will still be able to ask for written tests.

Other important changes approved by the management committee of the Oxford College Admissions Office include an "open admissions" system meaning students who have narrowly missed a place at a college of their choice or have not indicated a priority will be shared out among colleges with vacant places.

Scholarships and exhibitions at colleges will no longer be offered with places, but will have to be earned by undergraduate work.

Bias against polytechnics. Page 5



Priceless haul: The silver chain of office worn by the Lord Lyon King of Arms, above, Scotland's chief herald, is among silverware stolen from his office at New Register House, Edinburgh. The chain containing 80 links was made for the coronation of William IV. The stolen items which were kept in a safe included a 15in long solid silver baton bearing a Celtic design and the name of clan Fergus in Gaelic. Two candelabra, four salt cellars, four pepper pots, a tea pot, a mustard pot and cutlery have also disappeared.

Kinnock plans trips to US and Russia

By Philip Webster, Political Reporter

Mr Neil Kinnock, the Labour leader, is hoping to make visits next year to the United States and the Soviet Union, among several foreign trips that he is planning.

Since becoming leader Mr Kinnock has met President Mitterrand and the Austrian foreign minister, and is keen to involve other European socialist leaders in talks on a coordinated European recovery programme.

Mr Michael Foot was criticized for "never visiting the United States as party leader. Mr Kinnock went there in 1977 and to the Soviet Union in 1972, on a visit with three other Labour MPs.

Mr Kinnock yesterday completed the formation of his slimmed-down front bench team, and formally announced the junior posts.

Mr John Gilling, the former chairman of Labour's home policy committee who lost his place on the national executive this year, is the new regional affairs spokesman.

Mr John Evans, Mr Foot's former parliamentary private secretary, has been appointed an employment spokesman under Mr John Smith and thus drops out of the contest for the

Greenham woman vows to enter missile base

By Our Political Correspondent

One of the founders of the Greenham Common women's peace movement, Mrs Helen John, said yesterday that she would attempt to enter the high security areas of the base to try to persuade cruise missile guards and crews that their work was unlawful.

Speaking at a press conference at the House of Commons, Mrs John said that she would not be deterred by this week's threat, made by Mr Michael Heseltine, Secretary of State for Defence, that intruders might be shot. But she stressed that

US bases listed, page 2
Bernard Levin, page 12

Ulster violence 'has cost UK £9bn'

From Richard Ford, Dublin

The 14 years of violence in Northern Ireland have cost the United Kingdom an estimated £9bn, according to the first published report from the New Ireland Forum.

In a document which gives the direct cost of violence to the governments in London and Dublin, as well as the estimated loss of output to the economies of both parts of Ireland, the forum details the cost of the troubles in economic as well as social and human terms.

It is the first of several reports which aim to analyse the problems facing the development of a new Ireland. The most interesting ones, on church-state relations and constitutional matters, have yet to be produced by the forum, which was set up in May by the Republic's three leading political parties and the North's Social Democratic and Labour Party

in the first attempt by nationalists since partition to define the scale of the obstacles in the way of a united Ireland.

This first report came just two days before Dr Garret FitzGerald, the Republic's Prime Minister, meets Mrs Margaret Thatcher at Chequers for the first Anglo-Irish summit since 1981.

The report, released in Dublin yesterday, says that more than 2,300 people have died as a result of violence in Northern Ireland since 1969. It says 1,907 of them were born in the North, 1,043 being Roman Catholic and 864 Protestant.

More than 24,000 people have been injured or maimed. "There is hardly a family in the North that has not been touched by personal grief or tragedy", the report says.

The security forces in the North, including prison officers

and the British Army, have lost 722 people and paramilitary groups 278, with the Provisional IRA having lost 178 of its volunteers. Republican paramilitary groups have been responsible for 1,264 deaths, loyalist paramilitaries 613 and the security forces 264.

While Northern Ireland has suffered most, with 43,000 incidents of terrorism, the Forum says that the Republic and Britain have also been hit by the effects of violence, including loss of life, lost tourist earnings, compensation payments and extra security costs.

In the Republic 45 people have been killed in terrorist explosions and eight members of the Garda have been murdered. Terrorist organizations have been responsible for an increase in armed robberies from 11 in 1970 to 306 in 1981.

But apart from the cost in

life, the report says violence in the North has cost a total of £11bn at 1982 prices, to the exchequers of Britain and the Republic, in direct costs and the estimated loss of output to their economies. It has cost Britain £9bn. The report estimates that the 1982 current cost of violence was £1054m to Britain, and £268m to the Republic.

Extra security has cost Britain £4bn and loss of output has cost Northern Ireland almost £3.5bn, with an estimated 39,000 jobs lost between 1970 and 1980.

"It is clear that violence and its adverse impact on the North's image with potential investors are a principal cause of the decline," the report says.

Worldwide adverse publicity has been extremely damaging to the tourist industry in both North and South.

Our position as Leader is in keeping with the quality of the blend



BELL'S
Scotland's
Number One
Quality Scotch

ARTHUR BELL & SONS LTD, ESTABLISHED 1825 - AND STILL AN INDEPENDENT COMPANY

Workers' ideas save BL £20m

The Austin-Rover division of BL disclosed yesterday that it has saved more than £20m in the last two years using cost-cutting ideas from more than 50 "think tank" teams of employees at all levels, including the shop floor.

The teams are split into two sections. One concentrates on cutting costs for the production of existing components, while the other does the same for still-secret new models.

A team of six to eight is assigned to each project, meeting regularly in company time. Hourly-paid employees are selected on the basis of experience and usually work in the same area in which the component is manufactured.

A team assigned to the transmission used in the Mini and Metro cars cut production costs by £5 a unit, saving £1.5m a year.

Mr Andy Barr, managing director, operations, at Austin-Rover, said: "The value improvement programme is now bearing fruit and with the projects covering new models really dramatic savings will be made. It is imperative that we take action at the design stage. Cost avoidance is better than cost reduction."

More unions in Shell strike

The strike by 420 members of the Transport and General Workers' Union at the Shell oil refinery at Corringham, Essex, yesterday when members of other unions came out on indefinite strike. The workers have rejected a 4½ per cent pay offer which the management says is final.

The plant is at a standstill with only clerical and managerial staff on duty.

Bank talks break down

Banks may be shut from lunchtime on the last working day before Christmas after the breakdown of talks yesterday between union leaders and the London clearing bank employers.

Negotiators for the Banking, Insurance and Finance Union (Bifu) walked out of discussions when the banks refused to withdraw an instruction to 23,000 staff that Friday, December 23 was a normal working day. Union sources last night suggested workers would be called out on a half-day strike so they would finish early as has been the practice for the last decade.

Fireworks may be faulty

Boxes of Chinese fireworks sold by street traders in north-west England at the weekend may be faulty and should not be used, Merseyside Fire Service said yesterday.

The suspect blue boxes are marked "BB" or "DD", and "Brock's Fireworks", made in the United Kingdom and Republic of China. They were sold in Liverpool and Darwen, Lancashire, Brock's imported them in 1978, and later sold them to distributors.

Kerb crawling threat to career

George Paul Tracey, an insurance representative, told Sheffield magistrates yesterday his career could be ruined because police had caught him kerb crawling.

Tracey, aged 29, of Headingley Road Leeds, admitted exposing himself and conduct likely to cause a breach of the peace after he spoke to a policewoman in the Broomhall district of Sheffield thinking she was a prostitute. He was bound over for a year to the sum of £100 and fined £50.

Credit rights to be extended

More protection for consumers in transactions involving the granting of credit, such as with hire purchase, was announced yesterday by Mr Alexander Fletcher, Under Secretary of State of the Department of Trade and Industry (Our Commercial Editor writes).

Changes include extending the right to cancel agreements signed in the consumer's home and the granting of the right to a rebate of charges when a consumer settles a credit arrangement early. The changes come into force in May 1985.

Dispute settled at Telegraph

A dispute which halted production of the Daily Telegraph in London yesterday ended last night after agreement on a £6 a week pay increase for 450 clerical workers.

The paper was expected to appear as usual today after the agreement, which will also give the white-collar staff an extra week's holiday from next year. Union officials are understood to have agreed to concessions on the introduction of new technology, initially involving advertising accounting.

Actress ill

Lady Redgrave, the actress Rachel Kempson, aged 73, wife of Sir Michael Redgrave, has been admitted to Basingstoke district hospital, Hampshire, for tests.

Transfer British Airways' routes to independents, B-Cal chief says

By Michael Baily, Transport Editor

Britain's leading independent airline, British Caledonian, threatened to upset the Government's plans for privatizing British Airways yesterday, with proposals for a massive transfer of routes from BA to B-Cal, and from Heathrow to Gatwick. B-Cal would pay the market price for transferred assets, possibly about £200m, Sir Adam Thomson, the chairman, said in London yesterday, which would help the Government to privatize BA.

He gave a warning that B-Cal and other British independent airlines could be destroyed by a BA privatized with the help of a big capital write-off and 83 per cent of the traffic on Britain's lucrative trunk routes.

If the Government refused a route restructuring, B-Cal would be forced to transfer its entire operation from Gatwick to Heathrow to compete, and would require legislation, and arouse the ire of foreign governments, he said.

Speaking from Florida, where he is on holiday, Mr Bishop said that he and other independent airlines had been invited to share the platform with B-Cal yesterday but had declined. "We agree with what Mr Adam is saying about the privatization of BA but we regard this as an unsound way to approach the problem. BA, which has made a tremendous effort, should trade its way out of the balance sheet problem by maximizing profits. If this leads to disposal of some routes and assets that is up to them."

However, another independent airline, Dan-Air, supported the B-Cal plan. Mr Fred Newman, the chairman, said that a share-out of routes when BA was privatized was the way to "bring fair competition into Britain's airline industry".

The plan will be fiercely opposed by BA whose chairman, Lord King, is due to

announce improved half-year results today, and in view of his close relationship with the Prime Minister, it also seems likely to be rejected by the Government.

It has already been discussed with Mr Nicholas Ridley, the Secretary of State for Transport and Mr David Mitchell, the aviation minister, and copies have gone to MPs and senior officials.

Opposition came also yesterday from Midland Airways, who might have been a potential ally, since B-Cal proposes that another £5m of BA routes go to smaller independents.

B-Cal declined to say which routes it wants for transfer, but they are believed to include the Middle and Far East, Australasia, and North and Central America. They were not BA's richest routes, Sir Adam said, but they made sense as a package. Between five and ten of BA's 28 Boeing 747 jumbo jets would also be involved.

As well as transferring long-haul intercontinental routes to B-Cal, the plan proposes that various UK domestic and European routes, including German internal services, should be transferred to smaller UK independents, and that BA should withdraw from Gatwick.

Sir Adam said that he had first broached the subject with BA but it was not interested. It was now up to the Government. Privatization of BA totally dominated aviation policy, and the Government decisions now would shape the industry for years to come. "The time has never been more opportune for the Government to take a visionary initiative to create a really strong and highly competitive civil aviation industry in wholly private ownership and to lay down a framework for long-term growth," he said.

Scargill says 44 pits face closure

By Paul Routledge, Labour Editor

The threat of an all-out strike by Scottish miners receded yesterday even as the National Union of Mineworkers renewed its militant opposition to closures in the industry with an allegation that the National Coal Board intends to shut 44 loss-making pits.

The threat of a stoppage by 14,000 pitmen in Scotland was lifted by a NCB management offer of talks on the future of Monktonhall colliery near Edinburgh, where the miners have been on official strike for eight weeks. The peace formula will be put to the strikers today.

But while that dispute was being resolved, the temperature of industrial relations rose with a claim by Mr Arthur Scargill, president of the union, that the board and the Government were "moving in for the kill" on pit closures.

Responding to reports that Mr Ian MacGregor, the new chairman of the coal board, would like to phase out pits where production costs exceed £60 a tonne, the miners' leader insisted: "His suggestion would mean immediate closure for 44 pits."

Mr MacGregor's plan would sign the death warrant for collieries in Scotland, the North-east, Nottinghamshire, the south Midlands and the North-east. It would shut at least 10 pits in Yorkshire, 15 in South Wales, and it would wipe out the entire Kent coalfield.

"Although these collieries are part of the board's overall 70-pit list, Mr MacGregor's latest remarks show us that the coal board and the Government are

moving in for the kill. Their closure programme is picking up speed and the need for miners to fight back is now greater than ever. I am certain that our members will successfully resist this brutal attack."

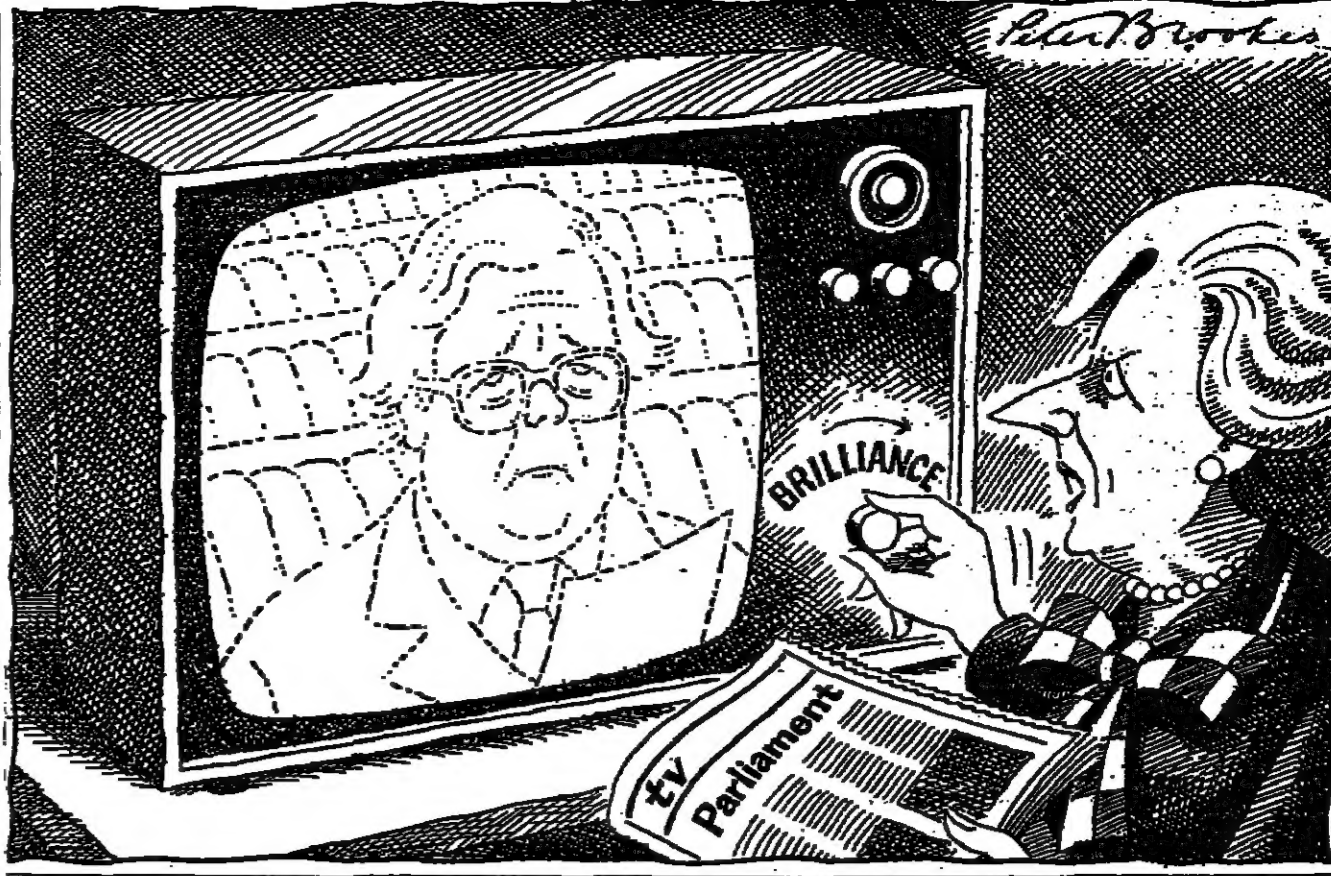
It seems likely that the men at Monktonhall will accept the peace formula being put to them today. It is being recommended by the union's area executive and by the pit delegate, Mr David Hamilton, who described the eleventh-hour offer of talks as "a victory".

If the men go back to work, the board's management in Scotland will work through the industry's conciliation and consultative machinery to resolve the dispute which is over output and development at the 20-year-old colliery.

Meanwhile, the union's nationwide overtime ban, in reaction to planned pit closures and the Board's 5.2 per cent pay offer, reaches the end of its first week of normal working days today, and serious delays in production are expected after the weekend if the limited industrial action is fully observed over the weekend.

An offer by striking outside broadcast staff to work without pay on the Remembrance Sunday ceremony at the Cenotaph has been rejected by the BBC (Michael Horne writes).

The BBC plans instead to cover the event by using non-union staff and members of the Association of Broadcasting Staffs, with whom it is in dispute, who have not yet been suspended for refusing to work.



Imports of US cars to be cut

By Clifford Webb

Ford and General Motors have promised the British Government that by 1986 they will reduce substantially the number of cars imported from their continental factories.

The rest of the motor industry has been pressing them to curb imports as part of its campaign to persuade the Government to drop the 10 per cent tax on the wholesale price of cars. That would increase the British market from 1,750,000 cars a year to about two million.

Critics of the campaign have said that to remove car tax would only suck in more imports. They point out that while imports from European car makers have remained fairly stable, shipments from the US-owned German, Belgian and Spanish factories have more than doubled in recent years.

So the American promise, which follows a series of meetings between the US companies, government ministers and the Society of Motor Manufacturers and Traders, removes an important stumbling block to getting rid of the car tax.

Yesterday Mr George Turnbull, president of the society said: "This is a very significant development. If Ford and General Motors reduce imports and increase production from their British plants in a market which is 250,000 cars a year bigger, it will inevitably mean substantial new business for the component firms."

Nilsen jury fails to reach verdict

By David Nicholson-Lord

A jury at the Central Criminal Court will be asked for the second day today to reach a verdict on Dennis Nilsen, aged 37, who has admitted killing 15 men but is denying murder on the ground of diminished responsibility.

The jury of eight men and four women, spent last night under close watch at a London hotel after failing to reach a verdict despite more than four hours of deliberation. Mr Nilsen, of Cranley Gardens, Muswell Hill, north London, murder and two attempted murders. The defence is seeking a verdict of manslaughter on the ground that his responsibility for the killings was substantially impaired through mental abnormality.

Mr Nilsen, the court has heard, dismembered and burnt the bodies of his victims. Mr Justice Croom-Holmes concluded his summing-up yesterday, describing the killings as "horrible".

Sale room

By Geraldine Norman, Sale Room Correspondent

Heavily carved early oak furniture is a very unattractive quantity at auction and Christie's managed to under-estimate another piece and over-estimate another yesterday. The top price in their sale of early furniture was for an ornately carved oak four-poster bed which secured a price of £10,800 (estimate £2,000 to £3,000). It is eight ft long and nearly six ft across with an elaborate headboard, a wooden canopy and chunky turned and carved pillars.

Christie's discreetly described it as "partly seventeenth century" and it is basically old, though a lot has happened to it over the centuries.

In contrast, a big handsome, Elizabethan draw-leaf refectory table embellished with geometric inlays did not live up to Christie's hopes, selling for £6,480 (estimate £2,000 to £12,000).

The sale was devoted to the type of furniture the trade calls "oak", meaning that it is of early date or rustic manufacture. These styles were highly fashionable in the 17th and 18th centuries and have been casualties of the

No warheads on training runs

By Staff Reporters

As two more United States Galaxy air transporters unloaded at Greenham Common yesterday, it became clear that cruise missiles would not be trained with nuclear warheads on ordinary training runs from their base.

Whitehall officials said yesterday that the missiles would be fitted with dummy warheads when they left the base in huge convoys of launchers and support vehicles. The convoys will be protected by RAF Regiment men from Catterick and security personnel from the USAF.

It will, however, be up to the police to keep peace demonstrators at bay and to make sure the convoys are not interrupted in their journeys round the countryside. Roads will probably be kept open to the general public and the 22 vehicles in each normal flight of missiles will be expected to mingle with ordinary traffic.

One of the two planes which

Cruise missiles

By Staff Reporters

arrived at Greenham yesterday discharged what looked like another missile launcher from its nose. But a USAF spokesman followed past policy by refusing to comment on its contents. There was no reaction from peace women outside the base who took advantage of a mild, sunny day to talk amiably with soldiers through the perimeter fence.

With the cruise missile itself expected to arrive any day during the next three weeks, the several hundred police patrolling the base near Newbury, Berkshire, were relaxing yesterday in preparation for renewed demonstrations expected from Newbury magistrates' court, two women protesters, Christine Drake and Steph Heard, were sent to prison for 14 days after refusing to pay a £50 fine imposed for obstructing the highway.

In separate cases, seven other women from Greenham Common were fined on various

charges ranging from obstruction to damaging defence ministry property.

In other developments, a barrister representing seven Campaign for Nuclear Disarmament supporters asked a judge to rule that the use of nuclear weapons was a crime under international law. At Oxford Crown Court, Mr Owen Davies argued before Judge Kenneth Mynett, QC, that the use of nuclear weapons was illegal because suffering would be inflicted on militia and civilians alike. The judge was hearing appeals by CND supporters who were convicted at Banbury for obstructing the highway outside the US air base at Upper Heyford in June.

At Faslane, on the Firth of Clyde, the Royal Navy's nuclear submarine base was sealed off for more than an hour yesterday after peace demonstrators cut a 30ft hole in the perimeter fence.

Bernard Levin, page 12

US military sites in Britain

The United States-operated military bases and facilities in the United Kingdom are:

RAF Alconbury, Cambs: 10th Tactical Reconnaissance Wing. RAF Fairford, Glos: 11th Strategic Group, USAF Strategic Air Command - Stratotanker air tankers. RAF Lakenheath, Suffolk: 48th Tactical Fighter Wing - F-111 nuclear swing-wing bombers. RAF Mildenhall, Suffolk: 31st Tactical Air Force. 513th Tactical Air Wing - EC-135 "Flying war-room" (carrying US generals in time of war). Hercules transporters and Stratotankers. RAF Upper Heyford, Oxon: 20 Tactical Fighter Wing - F-111E bombers. RAF St. Athanas, Strathclyde: Poseidon submarine base. RAF Greenham Common, near Newbury, Berks: 301st Tactical Missile Group to be armed with nuclear cruise missiles.

STANDBY BASES (constant readiness): RAF Sculthorpe, Norfolk: Admin elements of 48th Tactical Fighter Wing. RAF Wethersfield, Essex: 891st Civil Engineering Squadron, for runway repair, administrative elements of 10th Tactical Reconnaissance Wing.

OTHER SITES: Molesworth, Cambs: presently

storage site, but from 1988 will have cruise missiles. Ridgewell, Essex: Upwood, Cambs: Feltwell, Norfolk: storage sites, including munitions.

Bicester, Oxon: storage site. Hythe, Southampton: US Marine Fleet HQ. Welford, nr Newbury, Bucks: munitions site. London: US Navy in Europe HQ and associated facilities.

Eastcote, Redhill: USAF offices. Barkway, Herts: Great Broomley, Essex: Communications. Merdon Hill, Grampian: USAF/US Navy communications station. Bovingdon, Bucks: Croydon, Northants: Communications. RAF Chicksands, Beds: 7274 Air Base Group/69150 Electronic Security Group, electronic intelligence gathering centre.

Unkridge, Middlesex: Administration. Wincey, Dorset: Communications.

St Margan, Cornwall: US Navy weapons store. Edzell, Tayside: US Naval Security Group, communications and intelligence gathering facility.

RAF Barbury, Wiltshire: US Navy base. RAF Bovingdon, Bucks: "Logistic support" storage site, runway for wartime use by US and Nato.

Framlingham, Suffolk: Watton: Norfolk: USAF Army storage. Barmston, Lancs: US Army storage.

Pool, Dorset: US Marine storage. Eastcote, Redhill: US Army munitions storage.

Broughton Moor, Cumbria (US Navy) and Bramley, Hants (US Army): storage sites operated by

Britain "solely on behalf of US Forces". High Wycombe, Bucks: USAF storage.

Davenry, Northants, Martlesham Heath, Suffolk: Communications. Bodley Hill, Colchester: Danlirk, Swingate, Kent: Barford St John, Christmas: Common, Oxon: Communications relay stations.

Mewthill Hill, York: satellite communications station. Thurston, Cambs: US microwave communications site. Marchwood, Hants: military port. Flyingdale, York: Ballistic missile early warning radar (shared facility). Lutterworth, Cambs: Aberdeen: Inverberrie, Grampian: Unmanned communications sites. Glen Douglas, Strathclyde: Weapons store.

Little Basingdon, Glos: Wartime hospital and medical supplies store. Felkew, Suffolk: Administration.

Murk, Cambs: Kilmaber, Tayside: Chelveston, Northants: Communications site.

Spadasham, Cambs: Shared range facility, including simulated Warsaw Pact radar emissions. Kemble, Glos: Shared maintenance facility.

Bases shared in times of tension or war, but with no US peacetime presence: RAF Abingdon, Oxon: RAF Benson, Oxon: Royal Aircraft and Experimental Establishment, Boscombe Down, Wiltshire: RAF Coltishall, Norfolk: RAF Farnborough, Hampshire: RAF Leeming, York: RAF Odiham, Hants: RAF Waddington, Lincoln: RAF Wittering, Cambs: Cranwell, Lincs: and Royal Aircraft Establishment, Bedford.

Bases shared in times of tension or war, but with no US peacetime presence: RAF Abingdon, Oxon: RAF Benson, Oxon: Royal Aircraft and Experimental Establishment, Boscombe Down, Wiltshire: RAF Coltishall, Norfolk: RAF Farnborough, Hampshire: RAF Leeming, York: RAF Odiham, Hants: RAF Waddington, Lincoln: RAF Wittering, Cambs: Cranwell, Lincs: and Royal Aircraft Establishment, Bedford.

Bases shared in times of tension or war, but with no US peacetime presence: RAF Abingdon, Oxon: RAF Benson, Oxon: Royal Aircraft and Experimental Establishment, Boscombe Down, Wiltshire: RAF Coltishall, Norfolk: RAF Farnborough, Hampshire: RAF Leeming, York: RAF Odiham, Hants: RAF Waddington, Lincoln: RAF Wittering, Cambs: Cranwell, Lincs: and Royal Aircraft Establishment, Bedford.

particularly useful as a propaganda weapon.

The arrival of heroin in the Republic coincides with the rapid growth of the Dublin area, which had a large, young population facing unemployment and willing to experiment with drugs.

In the inner city area of north Dublin 10 per cent of those in the 15-24 age group are heroin addicts. Some started immediately with heroin rather than graduating from softer drugs including cannabis.

At the city's only treatment centre there are only nine beds and children of 12 have been treated there, although the average age is 21. The centre had a 246 per cent increase in numbers attending for treatment between 1981/82 and last year between 60 and 80 new patients attended each month compared with only six a month in 1979.

Despite the scale of the problem in the south it has not spread greatly to the north although there is some smuggling across the border. The problem in the north is with cannabis and last year there were 306 offences related to the drug. There are only 18 registered addicts in the province.

Ironically the violence and social upheaval of the early 1970s may have saved the province from the worst excesses of the problem for while Dublin had more places of entertainment and freedom of movement, Belfast faced restrictions in the wake of terrorism.

Bristol wins £10m US laboratory

By Clive Cookson, Technology Correspondent

Hewlett-Packard, the American electronics company, is to set up a £10m computer laboratory outside Bristol. It is expected to employ about 300 scientists and engineers and 200 support staff within five years.

The laboratory will be Hewlett-Packard's first company-wide research facility outside its home base of Palo Alto, in California.

Mr David Baldwin, managing director of Hewlett-Packard's UK subsidiary, said Bristol was chosen after a competitive review of potential sites, including several European countries, Japan and various American states.

"Britain was attractive to the company for a number of reasons," Mr Baldwin said, "notably the UK reputation for applied research and the quality of our university and technical college graduates."

Mr Norman Tibbitt, Secretary of State for Trade and Industry, was at yesterday's press conference to hail "a great day for the company and for the UK". He said Hewlett-Packard's decision "confirms Britain as the free world's second most important base for high technology industry after the United States. He did not

consider Japan, he considered Japan to be outside the free world or behind Britain as a base for high technology industry.

"No doubt the substantial progress we have made in improving the climate for business here has played a part in securing this welcome investment," Mr Tibbitt said. "Of great importance too is that the Government not only welcomes inward investment, but it treats foreign companies absolutely fairly and does not discriminate against them."

The new research laboratory will be set up next spring on the Wallcourt Farm site near Bristol, where Hewlett-Packard is building a factory computer drive. The company has said that that operation will create at least 400 jobs by 1986. Hewlett-Packard now employs 2,400 people in Britain and 70,000 worldwide.

Officials of the company said yesterday that they had not yet decided exactly what research programme to carry out at Bristol, although it would be in the general area of computer science.

Mr Donald Hammond, director of physical research at Hewlett-Packard's Palo Alto laboratory, will run the Bristol centre for the first two or three years.

Crash pilot may become ill

By Rodney Corston, Defence Correspondent

A Royal Air Force jet which crashed off the coast of Norfolk last Friday may have done so because the pilot became ill.

That is one theory being examined as part of the investigation into the crash. It is even more important than that for the R.A.F. to find the cause of the accident because the aircraft involved was one of its new Tornado supersonic strike aircraft, and it was the second to crash within a month.

The investigation is being hampered by the fact that only small quantities of wreckage have been found, and a naval vessel with sensitive sonar equipment is still trying to locate the remains of the aircraft in the North Cromer.

The second member of the crew ejected from the aircraft as it crashed, and was rescued after spending about three hours in a life raft. His identity has not been revealed.

The Tornado was returning to base at Marham in Norfolk, flying at over 400mph at an altitude of 25,000ft. The navigator is understood to have told investigators that the aircraft began to turn and descend towards the sea.

He was unable to obtain any response from the pilot, Flight Lieutenant Ian Charles Dixon, aged 39, over the communications system. At the last possible moment the navigator pressed the ejection control.

Electricians invited to rejoin union

Electricians' union officials moved swiftly yesterday to regain several hundred "dissident" Fleet Street electricians after the decision by leaders of the print union Sogat 82 to expel them in deference to a TUC disputes committee ruling (Our Labour Editor writes).

Mr Tom Rice, national secretary of the EETPU, wrote to all former members of its London press branch, who will discuss the matter next Thursday, asking them to "normalize our affairs".

Mr Sean Geraghty, who led the breakaway movement, has been barred from holding EETPU office for 20 years.

Overseas selling prices: £2.75, Canada \$4.25, Hong Kong \$10.00, India 1000, Japan 1000, New Zealand 1000, Singapore 1000, South Africa 1000, Sweden 1000, Switzerland 1000, Taiwan 1000, Thailand 1000, USA 1000, West Germany 1000, Yugoslavia 1000.

'Disproportionately high' number of black convictions in London

By Peter Evans, Home Affairs Correspondent

Black people are more likely than whites to be arrested and convicted of crime in London, particularly robbery, according to a Home Office analysis published yesterday.

But only a small minority of any ethnic group is involved in serious offences such as robbery and acts of violence.

The official phrase used in a study by the Home Office statistical department of crime in the Metropolitan Police district is that the number of black people arrested, convicted or cautioned is "disproportionately high".

In recent years between 14 and 17 per cent of those arrested in the Metropolitan Police district for all kinds of crime were black. In 1981 about 6 per cent of London's population was thought to be black.

The proportion is higher also than for the population aged between 10 and 20. They accounted for about two thirds of those arrested who were black.

The best estimate of the over-representation of young blacks in arrest figures is that about 15 per cent of all those arrested are classified as black, compared with blacks forming about 10 per cent of the young population.

The analysis gives figures, according to offences, of the proportion of those arrested who were black.

For offences of street robbery of personal property (popularly known as muggings) and for "snatches" (theft from people) the black proportion in 1982 was about half.

For other offences of robbery the proportion was about one third. For other offences of theft from the person (including picking pockets) the proportion was about 60 per cent.

For all types of offence the proportion of those arrested who were of Asian appearance was similar to or less than their contribution to the population.

The ratio of recorded offences to the size of the population aged between 10 and 20 in 1982 was consistently much higher for the non-white population than the white population in every district of the Metropolitan Police, on the basis of the victims' assessment.

The highest ratios for the non-white population were in Lambeth (more than 600 offences per 10,000) and in Camden, Hackney, Islington and Southwark (more than 300 offences per 10,000).

Racial attacks and harassment across London are at a disturbing and increasing level, according to a report from the Greater London Council (Nicholas Timmins writes).

At the end of a two-year inquiry into racial attacks set up by the GLC's police committee, Mr Paul Boateng, the com-

mittee's chairman, said that action was urgently needed from the police, the GLC and other local authorities.

"The black community clearly requires firm and forthright action, against both organized and random attacks on individuals and property."

"The alternative is growing communal tension and the development of a siege mentality on the part of the Afro-Caribbean and Asian communities in London. This would be a disaster for race relations", Mr Boateng said.

He added that the report highlighted "a very real crisis of confidence in the Metropolitan Police's capacity or willingness to investigate racial attacks and prosecute offenders."

Black people, he said, "are simply not getting" adequate police protection, but the GLC and other authorities had also failed to develop effective policies.

"We have placed tenants in accommodation where they are under threat and have not ensured that tenants faced with serious or persistent racial attacks are either adequately supported or transferred to safer accommodation."

It says that the statistics on racial attacks should be more comprehensive and categorized to indicate where a genuinely racist motivation appeared present.



Musical break: Mr Haitink during a break in rehearsals at the Barbican yesterday (Photograph: John Voos).

Haitink appointed to Royal Opera as director of music

By David Hewson

Mr Bernard Haitink, the Dutch conductor, is to be the next music director of the Royal Opera in succession to Sir Colin Davis whose appointment ends in July, 1986.

The move will leave Covent Garden without a full-time music director for two years since Mr Haitink intends to fulfil his present contract as musical director of Glyndebourne Festival Opera until 1988. In the intervening two years, Mr Haitink will give Covent Garden 12 weeks each season.

Glyndebourne said that the departure of Mr Haitink to one of the top international opera posts had its full approval, though he is the first senior figure to move between the festival and Covent Garden. "This agreement is perfectly amicable", a Glyndebourne spokesman added.

Mr Haitink said that he was honoured to accept the position and grateful that it was possible to maintain his commitments to Glyndebourne, and also to the Concertgebouw Orchestra, in Amsterdam, where he is principal conductor.

Sir John Tooley, general director of the Royal Opera House, said: "I am thrilled that Bernard Haitink is to become our next musical director. He will bring great distinction to Covent Garden and we look forward to a prosperous and fruitful collaboration."

Covent Garden has been searching for four years for a replacement for Sir Colin, who is to continue conducting at the Royal Opera House.

The appointment means an early break of the successful partnership Mr Haitink has cemented with Sir Peter Hall, who, in addition to his National Theatre post, is Glyndebourne's recently appointed director of production. Working together, they had launched a number of outstanding productions, the most recent being *A Midsummer Night's Dream*.

Mr Haitink, a retiring man who is the very antithesis of the conventional public image of an opera director, took the telephone off the hook at his London home yesterday. Friends said that he wanted to rest before conducting the BBC Symphony Orchestra at the Barbican last night.

Born in Amsterdam, he studied at the Conservatoire there and began his career as a violinist. Between 1967 and 1978 he was principal conductor and artistic director of the London Philharmonic. He made his debut with the Royal Opera with Don Giovanni in 1977.

Mr Haitink's insistence that he be allowed to work the whole of his contract with Glyndebourne is consistent with the reputation for integrity which he has earned in the musical world.

Reassurances on rural telephones

By Jonathan Davis, Financial Correspondent

Rural telephone services may not lose nearly as much money as opponents of the privatization of British Telecom allege, the Government and a senior corporation executive claimed yesterday.

Mr Jeffrey Wheatley, British Telecom's chief economic adviser, said that fears that the corporation would want to pull out of loss-making rural services had been exaggerated.

"As far as local calls are concerned", he told a conference in London, "it is actually the rural areas that often subsidize the urban areas. Where we lose most money on local calls is in London."

"It is not necessarily true that operating costs in rural areas are higher than in urban areas, nor is it automatically true that a privately-owned company would want to withdraw from them even if they were", Mr Wheatley said.

Fears that privatization of British Telecom would lead to widespread closure of loss-making services in rural areas had been highlighted by Opposition MPs during the debate over the Government's plans to float the corporation on the Stock Exchange.

It has prompted the Government to include specific clauses in the licence which will be given to British Telecom after privatization, obliging it to maintain loss-making rural services.

Mr Kenneth Baker, Minister of State for Industry, told *The Times* yesterday: "The indications we are beginning to get are that some of these rural services do not lose money. It may well be that the losses are on the other side, in the urban areas."

The main difficulty in establishing the real position is that British Telecom's accounts, which traditionally have been prepared on a centralized basis, have only recently begun to be organized in a way that breaks down the profit and loss of different services.

Mr Baker pointed out that once land lines and overhead cables had been installed, the corporation's interest was to maximize the use of them, by generating as many calls as possible.

Maintenance of rural telephone networks was also easier and cheaper than maintenance in heavily built-up urban areas.

Leading article, page 13

GP cleared of overdose negligence

A family doctor who was found negligent in failing to spot an error on another doctor's prescription was cleared of blame in the Court of Appeal yesterday.

A judgment that Dr David Jackson should pay £30,000 in damages and costs set aside by the court after a 2-1 majority decision overturned the High Court finding by Mr Justice Stuart Smith in February that the doctor was 15 per cent to blame for injuries suffered by the patient, Mrs Joan Dwyer.

She was receiving treatment from Dr Jackson's partner Dr Ian Rodrick who wrote the wrong directions on her prescription for the drug Mifril. She took dangerous doses of the tablets and suffered led gangrene in her toes and the loss of part of each foot.

Dr Jackson visited her while she was taking the tablets and it was alleged he should have noticed the error.

Dr Rodrick had been found 45 per cent to blame and has to pay £45,000.

Cross Chemists (Banbury) Ltd who filled the prescription found 40 per cent to blame were told to pay £40,000. They agreed to accept liability for the further 15 per cent if Dr Jackson's appeal was successful.

Sutcliffe 'unlikely to attack men'

A prison doctor said yesterday that Peter Sutcliffe, the Yorkshire Ripper, was likely to attack only women, not men.

Dr Brian Cooper, Parkhurst prison's principal medical officer, was giving evidence for the prosecution on the second day of the trial at the Isle of Wight Court of James Costello, who is accused of attacking Sutcliffe at the prison in January with glass from a broken coffee jar.

Costello, aged 35, who is conducting his own defence, pleads not guilty to maliciously wounding Sutcliffe.

Dr Cooper, under cross-examination from Costello, was asked if Sutcliffe was mentally ill at the time.

"Yes", Dr Cooper replied. "Would his mental illness make him likely to attack someone?" Costello asked. "Women", the doctor said. It was unlikely he would ever attack a man.

Dr Cooper said Sutcliffe had lost as much as a pint of blood in the alleged incident, which left him needing 30 stitches to cuts on his face and neck.

Dr Cooper said Costello had been suffering from a personality disorder of a psychopathic type. He "could react in a violent way". The case was adjourned until today.

Police investigate nightclub funds

From Arthur Osman, Birmingham

West Midlands police said yesterday that they had opened an inquiry into an allegation that £40,000 of Manpower Services Commission money had been used to finance a struggling West Indian nightclub in Birmingham.

The commission had asked the police to investigate the handling of cash for a community enterprise scheme sponsored by the city's West Indian Federation Association.

The commission allocated £250,000 to finance a community gardening and building scheme, but the programme ended in October, six months early, and 50 gardeners and builders lost their jobs.

Two weeks earlier Mr Lloyd Blake, the association's general secretary, had resigned as manager of the scheme. He is now the executive director of the Hummingbird Club, which opened in August with a grant of £65,000 from West Midlands County Council.

The club has been unable to meet its financial commitments and has appealed for more cash from the council.

Yesterday Mr Blake denied the allegation by the MSC and said: "We may have been lax in forwarding accounts but that is because the federation is struggling to survive."

Does your company automatically switch off whenever energy saving is mentioned?

It's sad but true, that some companies seem to have a blind spot where energy saving is concerned.

They forget that energy costs can be a big part of production costs.

And that savings on energy can have a direct effect on profits.

Take something as simple as the lights left on after the work-force has gone home.

No big deal you might think, and yet it costs companies thousands a year in wasted energy.

It's easy to solve. There are many new technologies which can help management with energy problems like this.

Just recently, the government's Energy Conservation Demonstration Projects Scheme

helped GBC Turbine Generators to install an advanced lighting control system in their open plan drawing office.

The system works on exactly the same principle as street lights.

A remote control switches all the lights on or off, according to the time of day or the amount of daylight available.

However, should someone require light whilst everything else is switched off, they can override the system simply by pulling a cord.

The energy savings from the system are expected to be somewhere in the region of 30 to 50 per cent.

Which means that, in three years' time, the system will have paid for itself.

It's only one of the many ways in which the ECDPS has helped companies with energy-saving technologies.

Send in the coupon for full details of them. It'd be a shame if your company was left in the dark.

To: The Energy Efficiency Office, P.O. Box 702, London SW20 8SZ. Please send me information on lighting controls and how I can make better use of energy.

Name _____

Job Title _____

Address _____

Tel. _____

ENERGY EFFICIENCY OFFICE

comes to 70 per cent of the Community's requirements, yet European sugar prices are kept artificially high, can reach double and sometimes even treble the world market price.

At the same time, the surplus sugar is sold off cheaply on the world market at prices which are subsidized to the tune of £100m by European taxpayers.

"By dumping subsidized sugar on the world market the Community has severely depressed world sugar prices, damaged the economies of countries such as Mauritius, Fiji and Guyana, which are very much dependent on their sugar exports". The pamphlet says, adding that the Community continues to increase the guaranteed price for sugar, encouraging more overproduction, raising prices further and increasing the costs and problems of disposing of the surplus.

The group concedes that a certain amount of support is necessary to ensure that the

هكذا من الأصل

Employers biased against college and polytechnic graduates, survey shows

By David Walker, Social Policy Correspondent

A comprehensive survey of employers has shown a marked bias against graduates from polytechnics, local colleges and lesser known universities.

Research conducted by a team at Brunel university makes it clear that the polytechnics, established in the late 1960s to provide education more in line with economic needs, have been decisively rejected by big employers.

The big private firms, the nationalised industries, government agencies and a range of medium sized firms which take in graduates, all prefer the products of Oxford and Cambridge, London, Durham and the main "civic" universities. Employers tend to be unconcerned with the content of degrees or how they were taught. Any degree from Oxbridge opens doors everywhere.

The unpublished research has embarrassed the Department of Education and Science which has sponsored the growth of polytechnics. The department paid more than £100,000 for the research to a team supervised by Professor Maurice Kogan.

A one recruiting officer said of the polytechnics: "Brutally, some of them produce rubbish and there are one or two polys that I would not touch with a barge pole." Typically, most of the big companies which annually go on a "milk round" to

university campuses to assess students' talents, omit the polytechnics.

An accountancy company told the Brunel team: "There are a narrow range of polys who provide a very good course, and there are a much larger range of applicants we have seen from time to time, who are in a totally different class, just not up to the mark."

The researchers questioned 150 employers, including 10 nationalised industries, engineering, computing, manufacturing and retailing companies. In general, employers think there are no important shortages of graduates, even in science and engineering, although employers would like students to be more numerous.

An executive of a large computing company said that he found the great number of people applying to him with "relevant" degrees in computer science distinctly unimpressive; there would always be room for

a student with a good degree in classics, he said.

Mrs Judy Caston and Mr Mark Jepson, the two Brunel sociologists who have produced the 500-page survey, argue that "manpower planning" is likely to go hopelessly awry because employers continue to recruit for a multitude of reasons unconnected with a rational appraisal of the labour market. Much emphasis is laid by employers on how graduate applicants look and dress, although a first class degree from a respected university would wash away most blemishes.

According to the report: "Employers rarely mention or discuss the type of secondary school, social class and family background as factors they consider. But there are a number of factors which may perhaps stand as proxy for these such as 'communication skills', 'dress', 'social skills', 'confidence at interview'."

EMPLOYERS SURVEYED*

Type	No	No of interviews
Nationalized industry	10	26
Central/local government	7	18
Accountancy companies	11	14
Engineering	29	48
Computing	9	13
Other private companies	72	78

*Individual companies and organizations were assured anonymity



Prisoner's plunge: A man awaiting trial fell through a first-floor window (top left) at Falmouth Magistrates' Court in Cornwall yesterday and fell about 30ft on to a girl collecting money for Bonfire Night. Christine Powell (right), aged 11, was taken of hospital suffering from shock and a badly bruised leg. She was later discharged. Robert Moule, aged 26, who was waiting to be further remanded, accused of assault causing actual bodily harm and motoring offences, had severe back and leg injuries. A passer-by was also treated for shock.

House plan found in Hutchinson book

By Ronald Faux

A diagram scribbled on the inside of a James Bond paperback owned by Arthur Hutchinson, the man wanted for questioning in connection with the Sheffield killing of Mr Basil Laitner, his wife and son, was issued yesterday by South Yorkshire police.

The plan is of an L-shaped house with swimming pool, garages, car park and greenhouse. "We do not know what it relates to but it might mean something to somebody," a police spokesman said.

The police yesterday traced a red Vauxhall Viva saloon stolen from the centre of Worksop, Nottinghamshire, on the day that Mr Hutchinson left a boarding house there. The car was found hidden in the town. No connection with Mr Hutchinson has yet been established by detectives.

Police activity yesterday was centred on the A57 between Sheffield and Worksop, where it is believed that Mr Hutchinson walked after being dropped by a taxi.

More than 250 officers are concentrating on the search in the Sheffield area and police forces throughout the country have been alerted.

"We are ready to deal with every positive sighting but it is a difficult task. Sightings are coming in at the rate of one every two minutes," an officer at the special headquarters in Sheffield said.

Debate reopened on higher education

By Ngalo Croquer of the Times Higher Education Supplement

Closures of universities and colleges, two-year degree course, new ways of funding research and an end to the differences between universities, polytechnics and colleges are all issues reopened this week in a letter to vice-chancellors.

The University Grants Committee has asked universities 20 questions as the first step in what it hopes will be a great debate on the issues facing higher education up to the end of the decade.

The questions cover funding, reduced student numbers, tenure of staff, subject balance, dependence on government support, validation, two-year courses, and the nature of universities and public sector institutions. The universities are asked to reply by the end of March. The letter has also been sent to many bodies outside the university system.

The letter has been circulated in response to a request in September by Sir Keith Joseph, Secretary of State for Education, that the universities should consider fundamental reforms and the effects of reduced funding.

The UGC letter asks universities what changes they propose to make in the next five years, and what would be

the effect of a 1 per cent or a 2 per cent annual drop in resource per student.

The letter asks: "How should the higher education system as a whole cope with student numbers dropping by 15-20 per cent between 1989/90 and 1994/4 and remaining constant thereafter? ... Should a significant number of institutions be closed during the five years 1990/91 to 1994/95?"

On the nature of universities, the letter says: "Is there an essential difference in function between universities and other institutions of higher education, or should they be regarded as a continuous spectrum of institutions?"

On staffing, the letter says that recent cuts have left an unbalanced age distribution of lecturers. At best, the rate of new appointments in most subjects during the next decade will be between 1 and 1.5 per cent a year.

After 1990 the letter says, the situation will worsen. The size of the university sector will fall by 15-20 per cent and only half the necessary reduction in staff will come from normal retirement. Suggested solutions include the possible reduction of the retiring age to 60.

Girl killed 'for turning off TV'

From Our Correspondent, Nottingham

Stanley Dingley killed his girl friend because she switched off the television set as he was watching an important football match, a court was told yesterday.

He stabbed her seven times in the neck and then went to a club nearby to watch the game, it was alleged.

Mr Dingley, aged 43, unemployed, of Ruiton Street, Gornal, Dudley, West Midlands, denied murdering Christine Worley, a divorcee aged 43, but admitted manslaughter.

Mr Richard Curtis QC for the prosecution, told Nottingham Crown Court that when seen by police Mr Dingley said: "I was provoked. 'She switched the match off. I have been having an argument with her over the past three days'. He said he had gone round to the flat at Warwick Court, Dudley on May 26, to watch the FA Cup Final replay between Manchester United and Brighton. "We are hitting it off for the last three nights. I was upset at not watching the match. I just done her in."

Derailment blamed on worn plates

Metal fatigue in two plates joining rails caused a rail accident in Scotland in September, an inquiry heard yesterday.

Thirty people were taken to hospital and five were detained after six coaches plunged down an embankment near Pitlochry, Tayside, on September 22.

A British Rail expert told the inquiry in Pitlochry, that the failure of two fishplates was "most unusual".

The 11.50 pm Inverness to Glasgow passenger train became derailed and six coaches, two of them sleepers, plunged 30 ft down the embankment.

Mr Michael Allery, a metallurgist with British Rail's research and development division, told the Department of Transport inquiry that there was no evidence in track records to suggest the fishplates were being subject to extensive loading.

He said: "The derailment was caused by the failure of a pair of fishplates due to brittle fractures initiated from fatigue cracks."

A report on the inquiry will be submitted to the Secretary of State for Transport.

Judge rules in favour of the 6ft square dance

Nightclubs should ensure that dancers enjoy at least six square feet of space on the dance floor, according to guidelines laid down in the High Court in London yesterday.

Lord Justice Watkins said the rule was "neither unrealistic nor unreasonable".

He was hearing an appeal by Mecca Leisure Limited over the refusal of Sheffield Licensing Justices and Sheffield Crown Court to allow them to redesign the interior of their Tiffany's nightclub in the city.

Mecca claimed the yardstick of six square feet of space was misconceived and would produce "draconian, absurd and very damaging consequences".

Lord Justice Watkins said that in some clubs it might be less, but in some circumstances it would be right. He was not prepared to say that the policy followed by the justices was unreasonable.

Mecca had wanted to change the interior design of the club, which has since been sold. They sought a declaration that the policy was unlawful.

The licensing justices in Sheffield had followed guidelines set down by the Greater London Council and thought them "eminently sensible" for dancing purposes.

The judge, sitting with Mr Justice Taylor in the Divisional Court, refused Mecca the declaration.

"A great little performer Great value too!"



The new Ferguson TX 14" portable colour TV

Around £169

Ferguson TX quality. Wherever you want it.

has the picture quality and clarity that André Previn described as, "Sharper, brighter... the richest colours I've ever seen. I'd say it was the best picture of all time".

That's what you'd expect from the advanced Ferguson chassis design and colour tube technology. You'd also expect Ferguson to provide a battery adaptor* to let you use it in your car, caravan or boat.

What's not so expected is the price. Quality portable colour TV is now within everyone's reach.

*battery adaptor optional extra.

At a price few can match.

Now, with a wider choice of channels and breakfast television to enjoy, a colour portable makes perfect sense.

Choosing the new Ferguson TX 14" colour portable makes even more sense. For its great performance. And above all, its great value.

FERGUSON TX

"Best picture of all time"

Botha hails referendum result as victory for evolutionary reform

From Michael Hornsby, Pretoria

Mr P. W. Botha, the South African Prime Minister, won a convincing two-thirds majority in Wednesday's whites-only referendum on a new constitution, already adopted by the white parliament, which would extend limited political rights to the country's 850,000 Indians and 2,700,000 mixed-race Coloureds.

Flushed with his greatest triumph since succeeding Mr John Vorster in 1978, Mr Botha told cheering supporters outside the Union Buildings here, where the votes were counted yesterday morning, that the outcome was a victory for evolutionary reform.

He appealed to those who had voted "No" to accept the decision. "I see a new spirit of South African patriotism. Let us go forward together," he said.

He hoped the new constitution could be put into effect in the second half of next year. There would have to be discussion about the procedure with Indian and Coloured leaders, as well as talks "to see in what form their opinion

(about the constitution) should be tested". Mr Botha stopped short, however, of promising separate referendums for them.

A majority of "Yes" votes was expected, but its size took everyone by surprise. Opinion polls are banned in South Africa during election or referendum campaigns, and so political pundits had little to go on. Most had predicted a narrow "Yes" majority of no more than 55 per cent.

In the event, 2,062,469 whites went to the polls, representing a turnout of 76.02 per cent, of whom 1,360,223 (65.95 per cent) voted "Yes" and 691,577 (33.53 per cent) voted "No", while 10,669 (0.52 per cent) spoilt their ballots.

Transvaal and the Orange Free State, where the forces of Afrikaner conservatism are strongest, predictably showed least enthusiasm for the new constitution with "Yes" majorities of 60.61 and 64.26 per cent respectively, compared with 72.65 in Natal and 73.67 in Cape Province.

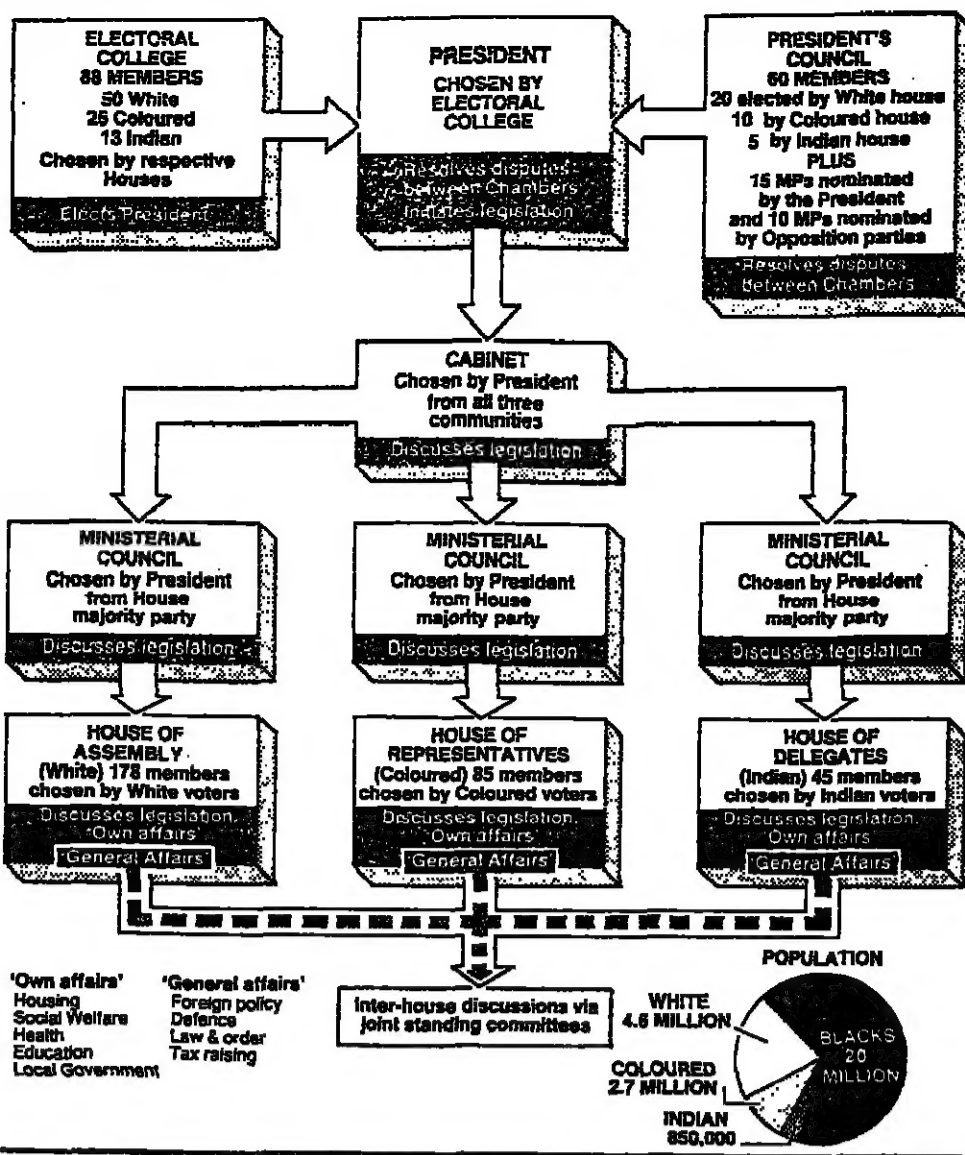
In the Durban region - one of

15 into which the country was divided for the purposes of the referendum - the "Yes" majority was 73.26 per cent and in the Cape Town region, 75.39 per cent.

Only one of the 15 regions - the northernmost part of Transvaal, with the town of Pretoria at its centre - returned a "No" majority, and then only by a narrow margin of 34,827 votes to 31,403. It was here that Mr Fanie Botha, the Minister of Manpower, was nearly defeated by an extreme right-wing candidate in a by-election earlier this year.

The main reasons for Mr Botha's striking victory seem to be that the conservative backlash proved less strong than feared, and even more important, an overwhelming majority of English-speaking South Africans, many of whom do not normally support the Government, voted with varying degrees of enthusiasm for the constitution.

Acknowledging this, Dr Frederik van Zyl Slabbert, the leader of the anti-apartheid Progressive Federal Party (PFF), which had urged voters to reject the constitution as sham reform, said many of his party's supporters had voted "Yes" because they feared an increase in right-wing sentiment



Town retaken

Ciudad Barrios (AP) - Salvadoran troops recaptured Ciudad Barrios when left-wing guerrillas retreated into the nearby mountains after a two-day occupation.

Woman abducted

Bologna (AP) - Kidnappers abducted Signorina Patrizia Bauer, the 28-year-old daughter of a wealthy businessman while she was driving home from work in Bologna.

Luce visit marred by Israeli ban on seeing Palestinians

From Christopher Walker, Jerusalem

The new-found harmony between British and Israel suffered a setback yesterday when the Israeli military authorities intervened to prevent Mr Richard Luce, Minister of State at the Foreign Office, from meeting three leading Palestinians whom he had invited to East Jerusalem for talks.

In order to prevent them allowing any contact with the British minister, two deposed mayors from the occupied West Bank were placed under house arrest for the day, on the orders of the Israeli Defence Ministry.

The third Palestinian, a community leader in the occupied Gaza Strip, informed the British that the Israelis had instructed him not to meet the minister.

The Israeli move particularly annoyed British diplomats because they claimed that similar restrictions had not been imposed when other EEC ministers had arrived seeking to test opinion in the West Bank.

No official explanation was forthcoming from the Israelis, although they had been Mr Luce's hosts until he crossed to East Jerusalem yesterday morning. He appeared embarrassed by the affair.

For Mr Bassam Shaki, former mayor of Nablus, and Mr Karim Khalaf, former mayor of Ramallah - both of whom were badly injured in car bomb attacks in 1980 - it was the second time in less than two

years that they had been barred by the Israelis from talking to a British representative.

When Lord Curzon was here 18 months ago, he asked Sir John Leahy, a senior Foreign Office official, to meet the two men, who are regarded as representing a large section of West Bank opinion, but the military government refused to allow it. At the time, the British Consul was even prevented from handing a letter of apology from Sir John to Mr Shaki.

Yesterday, the deposed Nablus mayor sent a protest telegram to Mr Moshe Arens, Israel's Defence Minister, in which he complained that his house arrest was a violation of his freedom of movement and his right to contact diplomats. He pointed out that he had been elected mayor before being removed by Israel.

The third Palestinian prevented by Israeli troops from meeting Mr Luce was Dr Haidar Abdul Shafi, the head of the Gaza Strip Red Crescent, the Palestinian version of the Red Cross.

As a result of the ban on the diplomatic encounter, the minister's efforts to sound out West Bank feeling before travelling on to Jordan and Egypt were severely disrupted. Five other prominent Palestinians walked out from the consulate-general in protest without outlining their views

The British Electrotechnical Approvals Board approves only one food processor.



If that all sounds a bit technical you only need know that the B.E.A.B. label is the seal of approval from the highest authority on safety in domestic electrical appliances in the land. (Something like the food processor's equivalent of an O.B.E.)

So we wouldn't even have bothered taking our Kenwood Gourmet to B.E.A.B. if we hadn't thought it was rather special.

But we suspected they might be impressed by the Gourmet's stylish good looks. (It's already been selected for

The Kenwood Gourmet. (Although there are twenty to choose from.)

the Design Centre of London.)

And we hoped they'd approve of the big 1.4 pint capacity bowl.

And we felt they couldn't help but admire the three speeds and pulse button that give the Gourmet control to make food like soft ice-cream which ordinary processors can't manage.

As things turned out we were right to feel confident.

The Gourmet went through tests too tough and too rigorous for any other processor.

But the Gourmet - and only the Gourmet - passed.

The Kenwood Gourmet comes complete with bowl and spatula, one-piece cover and feed tube and a calibrated

food pusher.

It also comes with a steel blade, shredding and slicing plates, whisk, soft ice-cream maker and a sample pack of soft ice-cream powder.

A chipper plate, fine shredding plate, whisked sponge beater, cover and storage rack are optional extras.

So buy yourself a Gourmet now. We think it will pass your approval too.

KENWOOD GOURMET
(Model A534)

Around £67.95



It's the only one to fly this standard. It's the only one to reach this standard. At a great price like this it's anything but standard.



THORN EMI Domestic Electrical Appliances Limited, New Lane, Havant, Hants. PO9 2NH.

Arafat will 'fight to the death'

From Our Correspondent Beirut

Mr Yassir Arafat, leader of the Palestine Liberation Organization, pledged to "fight to the bitter end" as dissident PLO guerrillas attacked his Tripoli stronghold at dawn.

Mr Arafat took to his "Voice of Palestine" radio station and vowed that he and his 8,000 fighters would "defend our people" to the death.

In addition to loyalist guerrillas, Mr Arafat's people include about 45,000 refugees in the Baddawi and Nahr el-Bared camps on the outskirts of Tripoli.

His fighters returned fire with multiple rocket launchers as PLO ambulances raced through the camps.

Mr Arafat blamed the attack on supporters of Colonel Saeed Moussa, who uses the nom de guerre Abu Moussa. Mr Arafat also charged that Syrian and Libyan troops were supporting the assault.

By nightfall, more than 30 people were dead and more than 115 were wounded.

Mr Arafat appealed for help in telegrams to Arab and Islamic leaders. The first response came from the Egyptian Foreign Ministry expressing deep concern and urging "all foreign parties to stop intervening" in Palestinian affairs.

Begin institute will study rebel groups

From Moshe Brilliant Tel Aviv

An institute for the study of underground and resistance movements was dedicated yesterday at Bar-Ilan University here in honour of Mr Menachem Begin, the former Prime Minister.

In the absence of Mr Begin, who has been living in a recluse for some two months, the ribbon across the entrance was cut by Mr Yitzhak Shamir, his successor as Prime Minister.

The institute's studies will cover Mr Begin's anti-British Ingus Zvi Leumi, Mr Shamir's Stern gang, the Hagana, the arm of the Zionist establishment during British rule in Palestine, and resistance movements in Europe.

The mystery over the whereabouts of the five Super-Etendard aircraft sold by France to Iraq, about which both Iran and the Western press have made such a fuss, has finally been solved. The aircraft, equipped with Exocet missiles, are in Iraq and have been there for the past month.

The delivery of the aircraft was confirmed by Mr Tarek Aziz, the Iraqi Foreign Minister, in an interview published in *Le Matin* newspaper. "The Super-Etendard affair caused much too much fuss; it is now finished... the aircraft are now in Iraq," he said.

From the outset, the French Government has refused to make any official comment on the affair, except to insist that France was not in the habit of going back on its word or of breaking its contracts. True to its tradition of not commenting on arms contracts with foreign powers, it has never actually admitted that a contract for the Super-Etendards even existed.

However, at a press conference to announce details of next year's defence budget, M

Reagan man for Middle East named

From Nicholas Ashford Washington

President Reagan has appointed Mr Donald Rumsfeld, who was Defence Secretary under President Ford, to become his "point man" on the Middle East in succession to Mr Robert McFarlane, whom the President named as his National Security Adviser last month.

Announcing the appointment during a brief appearance in the White House press room, Mr Reagan said that Mr Richards Fairbanks will remain in his present position as a US negotiator in the Middle East for the time being.

However Mr Fairbanks, who is at present in Geneva for the Lebanon national reconciliation conference, has let it be known he wants to leave soon and there has been speculation he could be replaced by Mr Ray Atherton, a former Ambassador to Egypt.

Mr Rumsfeld, aged 51, has had no direct previous Middle East experience. However, in his earlier posts as Defence Secretary, White House chief of staff and Ambassador to Nato, he has been involved in the broad aspects of the Middle East problem.

He is the most prominent person to hold the post of special Middle East envoy since it was created by President Reagan over two years ago.

His "big name visibility" among foreign leaders as well as his reputation as tough, skilled negotiator, were undoubtedly qualities which attracted him to Mr Reagan. He is a close friend of Mr George Shultz, the Secretary of State, and Mr James Baker, the White House chief of staff.

Mr Rumsfeld has been working as chief executive of a Chicago-based pharmaceutical company. He will need all of his negotiating skills if he is to make any progress in resolving the seemingly intractable conflict in Lebanon, let alone the broader dispute in the Middle East between the Arabs and Israel.

His immediate task will be to encourage the various Lebanese factions to lay down their arms and establish a government of national unity. At the same time he must try to negotiate a withdrawal of Syrian, Palestinian and Israeli troops from Lebanon.

Iraq admits it has five Super-Etendards

From Diana Geddes, Paris

Charles Hernu, the Defence Minister, went as far as he has ever done when he said in answer to a question on the Super-Etendards: "They have been with us for a long time, almost a month, and that has not stopped the world going round."

Iran has threatened to close the Gulf of Hormuz if Iraq uses the Super-Etendards to bomb Iranian targets. It is also thought that the murderous bombings of American and French bases in Beirut on October 23 by a Lebanese Islamic extremist group close to Iran was not unconnected with the sale of the aircraft to Iran's enemy.

The United States and Britain expressed concern over the sale of the aircraft but never lodged an official protest. Some Western observers feel the potential importance of the aircraft in the three-year-old war has been greatly exaggerated, pointing out that Iraq has long been using Exocet missiles mounted on French Super-Frelon helicopters.

Italy



Nato plans to deploy cruise and Pershing missiles in Western Europe next month have produced the first mass peace movement in postwar Italian history. According to the organisers, half a million people marched through Rome in a single demonstration last month, and there have been violent protests at Comiso in Sicily, where the new missiles are due to be based. While Italy has shown signs of catching up with northern Europe in the agonized debate over nuclear arms, Italian politics still have a flavour very much of their own. In little more than a century, Italy has been ruled by a liberal elite, has experienced the disasters of fascism under Mussolini - born 100 years ago this year - and a seemingly endless series of Christian Democratic-led coalitions. Now Signor Bettino Craxi is in office as the first socialist head of government in the country's history. Does the Christian Democrats' failure represent a sea-change or merely a temporary setback to the Catholic party which has dominated the postwar era? PETER NICHOLS seeks an answer to this question.

Even if no cruise missiles are fired in anger from the projected base at Comiso in Sicily, their presence paradoxically may have given Italy its first powerful peace movement. The Italian contribution to the multinational force in the Lebanon has had a similar effect. This reaction explains in part the new seriousness of the October 22 march in Rome against missiles in Europe, which brought together a range of opinions far wider than simply the left wing. The organizing ability of the communists was evident and still an important factor. The five parties making up the governmental coalition were officially absent from the event. But it still gave the impression that for the first time Italy had expressed a pacifist message in a more coherent, less political way than at any previous time. The fact that the demonstration took place while the Prime Minister, Signor Bettino Craxi, was in Washington and a matter of hours before the fatal bomb exploded in Beirut, underlines the feeling in Italy that a historic decision was made in accepting the missiles in the first place. That acceptance came in December 1979, in a very different atmosphere. Italian public opinion was fully occupied at the time with internal problems. Terrorism was still a danger, and political difficulties were for the first time seen to have become chronic. And so it was not surprising that the parliamentary debate which ended with acceptance of the missiles came and went without arousing great controversy. Signor Craxi was not Prime Minister at the time. But he was leader of the Socialist Party, which supported the government led by Christian Demo-

A lunch with monks at Assisi

Signor Enrico Berlinguer, the Communist Party leader, had lunch with the Franciscan monks at Assisi to show that he was at one with the Catholic peace movement in seeking every means for a rational alternative to the basing of the missiles in Italy. But if he was calling for more flexibility in order to give the negotiators more time, he was far from condemning out of hand the government's defence policy. In fact, the Americans themselves must have been surprised by the moderation of the Communists. Until recent weeks, there had been nothing in Italy to compare with the peace movements opposing



Traditional Italy: the twice yearly Palio held in Siena has rules dating back to 1636. Riders from the city's seventeen districts race three times around the Piazza del Campo.

missile bases in Britain and Germany. One explanation for this was that the organization of demonstrations in Italy tends to be monopolized by the political parties, and the Communists were not inclined to lead a mass campaign of protest. Later, with the fateful date for installation approaching, doubts largely hidden before have begun to make themselves felt. A public opinion poll published at the end of October by the news magazine *Panorama* showed that over 58 per cent of Italians were opposed to the missiles and the cover headline was *Appointment with Fear*.

Few people can believe that Signor Craxi's government would weaken its position on missiles. The Prime Minister himself places great store on a close personal relationship with the American leadership. There are less convinced voices within his government, but he is unlikely to heed them. At the same time, public doubts and the example of other countries have encouraged the growth of a peace movement of a kind Italy had not known in the past, including broad sections of Catholic as well as left-wing thinking. Italian participation in the ill-starred peacekeeping force in Beirut has followed similar lines. Senator Spadolini's decision that Italy should participate was not controversial. Until the bomb explosion which killed over 200 American and French troops, the Italians had lost one man and the Communist Party was beginning to demand the withdrawal of the force. The bomb has horrified public opinion, despite the fact that the Italian contingent was not harmed, by making the dangers involved more evident. Political differences have become less obvious, with the Communists putting down parliamentary questions close to the view of the government on the need to protect the troops in Lebanon. A more active Italian role is emerging on defence policy, with a more informed and sometimes more critical public opinion.

A party that won't go away

Since Italy was united little more than a century ago, it has been ruled by a liberal elite, by Fascism and since the war by a series of coalitions led by the Catholic Christian Democrats. The vital question now is whether Italy has in fact finally settled down to its present democratic system or could be heading for another decisive change. Part of the answer is provided by the general election in June which brought to power Italy's first Socialist Prime Minister. Signor Bettino Craxi followed Senator Giovanni Spadolini, leader of the Republicans, who had made his own place in history by becoming the first non-Christian Democrat Prime Minister since the republic was established. In this sense, something can be seen to be moving, but the Christian Democrats nevertheless remain the largest party and took part in Senator Spadolini's two coalition governments, just as they are doing in Signor Craxi's. He leads a coalition consisting of five parties - Christian Democrats, Socialists, Republicans, Social Democrats and Liberals. The Christian Democrats, although the largest party, have had to accept a situation in which both the presidency and the prime ministership are in Socialist hands. This need not be serious for the Christian Democrats, or for that matter preclude fundamental change in itself. The next head of state after the highly popular President Pertini will probably be Christian Democrat. And, even though it is not leading the government, the party's weight in the coalition is more than substantial. Its principal worries lie in another direction: it suffered one of its worst setbacks in the June election. It is asking itself whether its losses were just passing phenomena or whether the traditional basis of its strength has been mortally eroded. Certainly the familiar bases no longer exist, or have been seriously weakened. The first non-Italian Pope pays relatively little interest in Italy's internal affairs and the newer Catholic mass movements are more critical of the Christian Democrats than were such organizations as Catholic Action, which was closely supervised by the bishops. Senator Spadolini's personal popularity took away votes in the big northern cities, as did the Socialists' clear determination to increase their weight within the coalition. Equally important is the future of the Socialist Party. It is Italy's third largest, though still a long way behind the Christian Democrats and the Communists. Signor Craxi has proved to be a leader of remarkable determination, transforming his badly divided party into a surprisingly well disciplined force. He can expect this internal accord to last for as long as he can show that he is providing the country with energetic leadership and that the Socialists can genuinely face the country's problems. The June election results were a disappointment because the Socialists made only a small advance. His friends believe the impact he should have had was weakened because of scandals involving members of his party in such important centres as Turin and Savona. There were also fears that his obvious ambition might at times cloud his judgment. As an anti-communist leader of the only other left-wing party with a traditional following he should have gone ahead strictly at the Communist's expense. Instead, his firm handling of his

Continued on page 111

PROGRESS REPORT FROM A NEW BANK.

Our Start:

We opened for business under a new name with new management and new shareholders on 6th August 1982. Our share capital is 600 billion lire (US \$ 438 million approx).
Our total staff 3,930.

Our Shareholders:

We are owned by seven prime Italian banks. Three (Banca Nazionale del Lavoro, Istituto Bancario San Paolo di Torino, IMI - Istituto Mobiliare Italiano) are from the public sector. The others (Banca Popolare di Milano, Banca S. Paolo - Brescia, Credito Emiliano, Credito Romagnolo) are leading local banks in their regions. Their total assets approach 150,000 billion lire (US \$ 109,500 million approx).

Our Capital Increase:

We will have an increase in capital of a further 150 billion lire under a warrant scheme, approved at our last Extraordinary General Meeting. As a result, our capital will be the highest of any bank in Italy.

Our Customers' Deposits:

In our first financial year, ending June 30th 1983, we have achieved an increase of over 50% in customers' deposits from a low of 1,928 to a high of 2,941 billion lire.

Our Network:

We took over 112 branches mainly located in the prosperous cities of North and Central Italy. By the end of the year our restructuring programme will result in 9 new branches being opened. All in important locations.

Our Subsidiaries:

Through "La Centrale" Finanziaria Generale, our financial and investment company in Milan, we control two important regional banks and a financial service company. All four are quoted on the Milan Stock Exchange. Banca Cattolica del Veneto has 192 branches located mainly in the Veneto region whilst Credito Varesino has 62 branches mainly in the Varese, Como and Milan areas. Fiscambi S.p.A. of Milan operates in the fields of leasing, factoring and real estate as well as in other financial sectors.

NUOVO BANCO AMBROSIANO
ESTABLISHED 1982

Head Office: Via Clerici, 2 Milano (Italy) - Telephone (2) 85941 - Telex 320252 NEAFOR I
Representative Offices: New York - Hong Kong - Tokyo

* S.Lit. rate as at 31.12.82

ALITALIA'S BUSINESS CLASS. NOW CLASSIER THAN EVER.

Classier In-Flight.

You settle back in our comfortable seats and enjoy high class food, much of it prepared at home in Italy, with free drinks and a choice of wines. And this year our amazingly low-priced Flying Boutique will be offering - in addition to all our usual duty free goods - an exclusive range of top class merchandise from five of Italy's leading design houses: Battistoni, Ferragamo, Gianni Versace, Trussardi and Valentino.

Classier on the Ground

Before take off, separate check-in and seat allocation facilities speed our Business Class passengers extra rapidly to their flights. Then after you land, we have made special arrangements to provide Alitalia passengers with hire cars at quite exceptionally favourable rates. And as yet another Alitalia 1983 extra, two of Italy's foremost groups of top-class hotels will offer Business Class passengers advantageous terms and facilities.

Times to suit Business Travellers*

CITY	FLIGHTS
MILAN	Daily 11.00 and 17.30 (Airbus)
ROME	Daily 12.25 (Airbus) and 18.15
VENICE	Mon/Weds/Fri/Sun 15.00
PISA	Mon/Weds/Fri/Sun 09.00
TURIN	Tues/Thurs/Sat 09.00

*All departures from Heathrow.
*From 1st November 1983.

Classier for economy class passengers, and holidaymakers too.

You are allocated seats before departure at Heathrow. And you can enjoy a full bar service as well as a free glass of wine or beer with lunch or dinner. Our Super Apex fares start from £107. And don't forget to find out about our short-stay "Intermezzo" holidays in Rome starting at under £200.

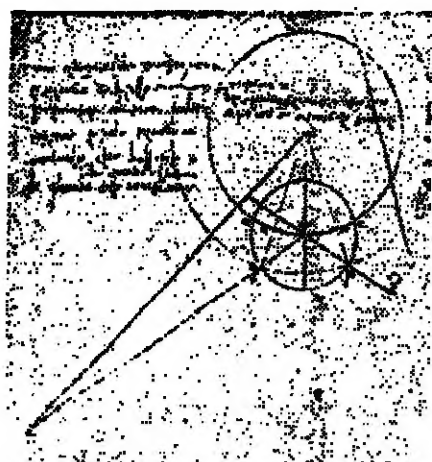
Business Fares Benefit.

When you fly Alitalia Business Class your tickets are completely flexible. No advance booking regulations, no minimum-stay requirements. You simply travel when you like, changing your flight arrangements whenever it's necessary.

For more information contact your Alitalia appointed Travel Agent or telephone:
LONDON (01) 602 7111
BIRMINGHAM (021) 236 3188
MANCHESTER (061) 228 1653
GLASGOW (041) 221 5314
DUBLIN 775171
 or simply key Prestel No. 46525.

Alitalia

Italian Genius

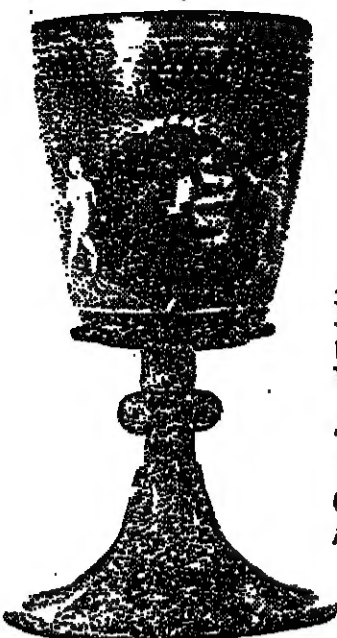


Description:
Extract from the "Arundel manuscript" showing Leonardo da Vinci's highly detailed diagrams and notes on the mysteries of bird flight

Source: Italy

To be found at: British Library, Great Russell Street, London

Reproduced by kind permission of British Library (foto 134v)



Description:
Fifteenth century glass goblet showing the craftsmanship and perfection of Venetian glass.

Source: Italy

To be found at: British Museum, Great Russell Street, London

Reproduced by kind permission of British Museum



Description:
Figure in marble of "Narcissus" showing the characteristic grace of Florentine work in the 16th century.

Source: Italy

To be found at: Victoria and Albert Museum, South Kensington, London

Reproduced by kind permission of Victoria and Albert Museum. (Crown copyright)



Description:
The door of the City office of Italy's leading bank, showing the way to a unique communication network for international finance with the Common Market and the world.

Source: Italy

To be found at:

Banca Nazionale del Lavoro, 33-35 Cornhill, London

Banca Nazionale del Lavoro

London Branch: 33-35 Cornhill, London EC3V 3QD. Tel: 01-623 4222.

Head Office: Via Vittorio Veneto, 119, Rome.

ITALY

THE ECONOMY

The great uncertainties

The autumn in Italy can be compared with Budget time in Britain, when the problems of the economy and their effects on the citizen's personal finances are in the forefront of public attention. Only here the debate is much more complex and drawn out. It is not a question of how much more on income tax, beer or cigarettes, but whether the Government will succeed, first in getting its measures unamplified through Parliament, and then whether it - or its successor - will be able to implement them.

By the end of September, the Government must by law submit to Parliament its annual economic review, together with its projections and policies for the following year. This year, the uncertainties appear greater than ever.

As before, the major obstacles to bringing inflation into line with the western industrialized world are the public sector spending deficit and labour costs. The latter appeared settled for the time being by a three-cornered agreement on January 22 between government, industry and the trade unions, which slowed the impact of the *scala mobile* system of automatically indexed wage bonuses. But Confindustria, the confederation of private industry, has had second thoughts. It says the agreement has not had the desired effect, and is bent on reopening the issue.

Signor Bettino Craxi's coalition, formed in August, has given the impression of being at sixes and sevens in its approach towards the other problem, the public spending deficit. If not brought under control this threatens to reach 120,000 billion lire (nearly £50,000m) next year. While no one suggests that Italy's situation is in any way as precarious as that of some Third World countries, it represents a dangerously high level for a developed economy. The intention is to reduce it next year to about 90,000 billion lire (about £37,500m).

A socialist himself, Signor Craxi has to rely on a mixed bag of economic ministers - Signor Giovanni Goria, a Christian Democrat and youngest member of the Cabinet at the Treasury, Signor Pietro Longo, Social Democrat whose name has been associated with the P2 Masonic lodge at the Budget, and Signor Bruno Visentini, Republican and eldest member of the government at Finance.

Signor Longo took up an invitation to visit Costa Rica when Signor Craxi held the first two meetings of his inner cabinet to define economic strategy. More recently, he showed himself out of step by



Brushing up for office. Signor Bettino Craxi, Italy's first Socialist Prime Minister, getting ready for a television interview.

calling for a capital levy, immediately rejected by Signor Goria and Signor Visentini. Then another Social Democrat Minister, Signor Franco Nicolazzi, who at public works is responsible for housing, was visiting Australia when the Chamber of Deputies rejected a crucial decree on housing. The decree would have brought in much-needed funds by fining and pardoning the millions of property owners who have built in violation of housing regulations.

Inflation remains disproportionately above that of Italy's partners, even if well below some other countries in the Mediterranean and Latin America. The Government's targets for 1983 and 1984 stand respectively at 13 per cent. They show little sign of being met. While the latest monthly figures are between 13 and 14 per cent, earlier this year they were above 16 per cent. At the same time the rise in wholesale prices was down to 8.7 per cent in August on an annual basis, suggesting both good profits for middlemen and inefficiencies in the distribution network. Some analysts, noting the recent

risks in world raw material prices, fear inflation may now have bottomed out and may resume an upward path.

Inflation has propped up interest rates. Prime rate this autumn was 18.75 per cent, but most borrowers are charged over 20 per cent. The policy of the Treasury and the Bank of Italy has been to encourage a cautious but steady downward trend. The public's liquidity is meanwhile sucked up by the attractions of treasury bonds and certificates which offer tax-exempt yields just above the level of inflation. The aim is to restructure public debt through the issue of obligations carrying lengthening maturities and gradually decreasing yields. If only the authorities could bring interest rates down to average western levels this could have a dramatic effect on the public deficit. For, it is calculated, the servicing of a public debt which next year will tip 500,000 billion lire (£208,000m) costs each year 60,000 billion lire (£25,000m), or more than half the deficit.

Another drain on public finances is widespread tax evasion. A recent seminar on the subject organized by the trade unions was told, such is the ingenuity of businessmen and professional people, that no less than 60 per cent of value-added tax remains unpaid. True or not, this same spirit of

ingenuity of course stands in good stead in doing business in times of adversity. Even so, the value of public works and construction contracts secured abroad is reported to be running 60 per cent below the level of last year.

The foreign trade balance has nevertheless improved markedly this year, with a deficit of 6,800 billion lire (£2,833m) in the first seven months, against 10,599 billion lire in the same period of 1982. The balance of payments even ran a surplus of 4,009 billion lire (£1,679m) for January to September, against a deficit of 1,030 billion lire for the same period of 1982.

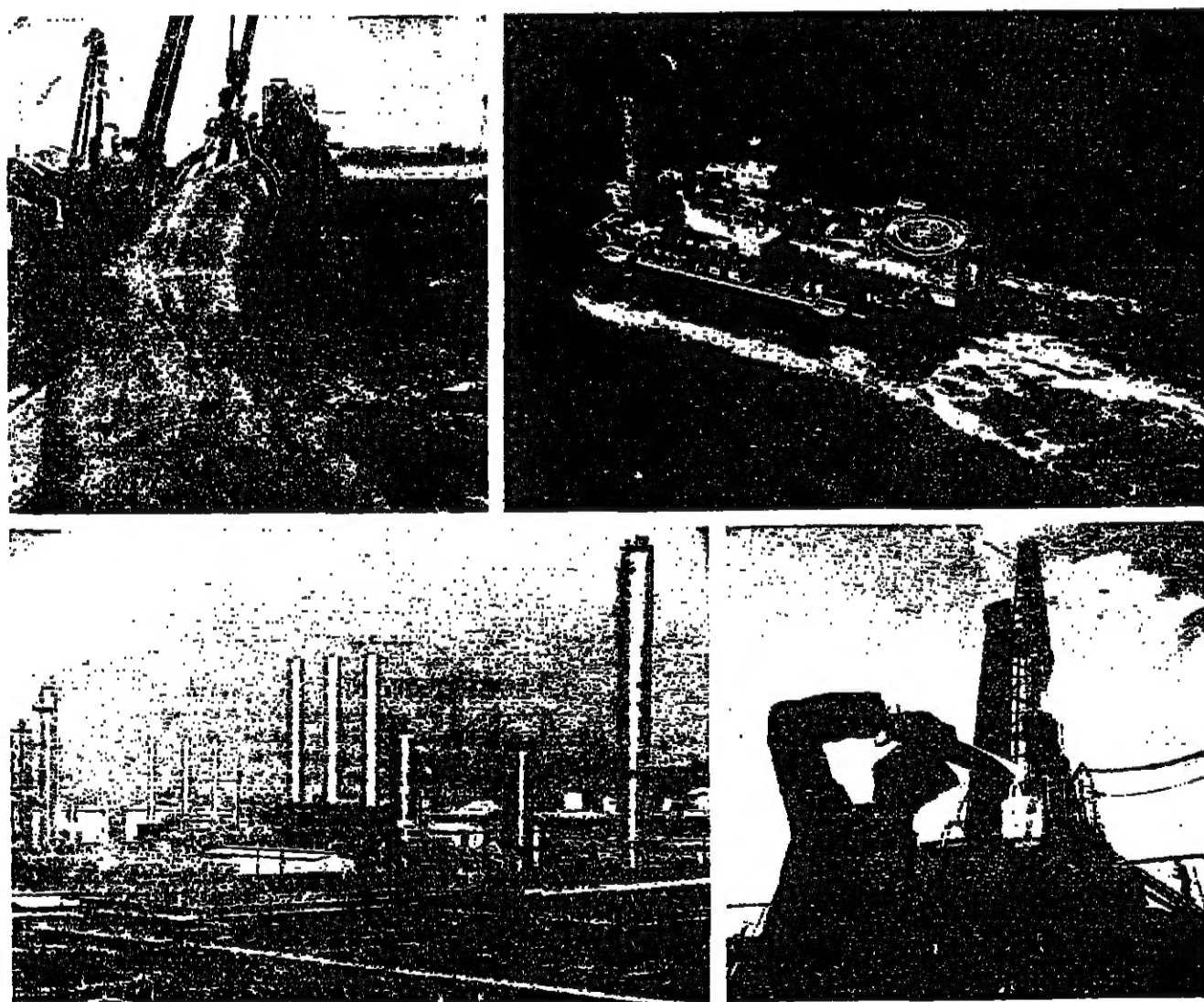
How much of the improvement is because of a fall in demand during the recession? While last year registered stagnation, this year ought according to the Government's annual estimates to bring a fall in gross internal product of 1.2 per cent. Other forecasters believe it will be more. If all goes well, the end of the recession should come next year. Indeed the government, on the basis of 10 per cent inflation, predicts growth in real terms in 1984 of 2 per cent.

The strength of the recession is confirmed by the fall in industrial production, which on an annual basis is down by more than 7 per cent. Business bankruptcies - though the figures only go up to April - are up by 8 per cent. The overall figures on industrial production mask situations of light and shade. Production of capital investment goods has fallen by over 10 per cent. But fashion, textiles, shoes and furniture have been doing well.

Some leading firms like Olivetti and Fiat report healthy profits. So do some smaller ones like Bontempi in the marches, which has carved out a niche on world markets in electronic organs, beating the Japanese while taking pride in paying its taxes.

The fall in industrial production has affected unemployment. This is always a difficult figure to determine, as those temporarily laid off by companies are not included, while nobody knows how many work unrecorded in the black economy. The unemployment trend has nevertheless been upward - 9 per cent of the labour force officially out of work in July, against 9.2 per cent 12 months earlier. At the same time the economy accommodates up to half a million guest workers, most of them self-invited, illegal entrants from the Third World. Most find a living somewhere - a sure sign that things are not always as bad as made out.

John Earle

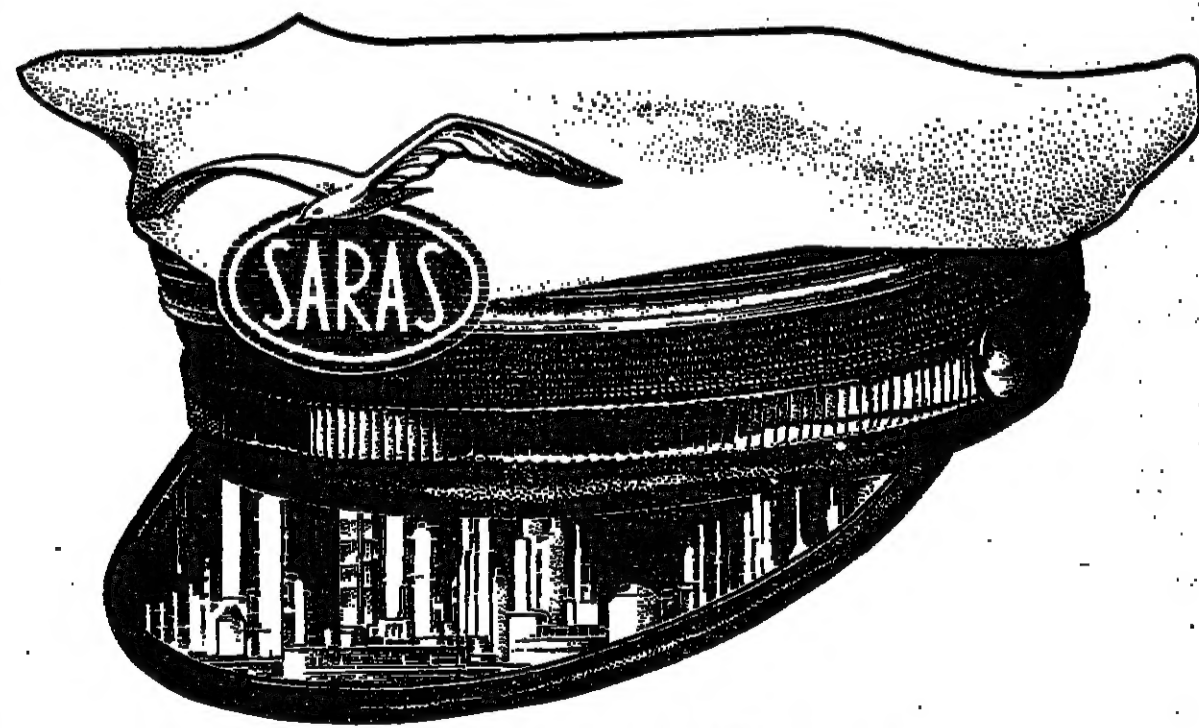


INTERNATIONAL CO-OPERATION. A STEP IN THE RIGHT DIRECTION

Companies of the ENI Group are always working towards this end in all continents of the world. Today, over one third of the total revenue of the Group is derived from sources outside Italy through the supply of goods and services, many of which, due to their advanced technology, have been incorporated into the industrialisation and development plans of many countries and which have also helped Italian products to penetrate those markets.

ENI Group companies are involved in all aspects of the energy sector, including the chemical industry, engineering and services, mechanical manufacturing, textile machinery and textiles, along with mining and metallurgy.

In some of the sectors, such as engineering and services and mechanical manufacturing, Group companies are more heavily involved in international projects than in the Italian domestic scene.



The refinery at your service

Saras refinery was planned, built and equipped to process customer's crude oil.

It has a yearly processing capacity of 18 million metric tons and such a flexibility as to admit, stock (in the huge tanks system of 3,6 million cu. mt.) and handle any kind of crude oil through the many processing stages asked by the customers, offering a range of refined products that can meet every requirement.



SARAS SpA Raffinerie GARDN
HEAD OFFICE: 1. 20122 MILAN - GALLERIA DE CRISTOFORO, 8 - TELEPHONE: (02) 757 - TELEX: 311275 SARAS - I
REFINERY: 1. 00018 BARROCO (CAGLIARI) - KM. 19 - S.S. SULLICIANA - TELEPHONE: (070) 80001 - TELEX: 70018 SARAF - I
BRANCH OFFICE: 1. 00187 ROME - VIA LUDOVICO, 43 - TELEPHONE: (06) 4742701

Agip AgipPetroli Snam AgipNucleare AgipCarbone Samim Enichimica
Snamprogetti Saipem NuovoPignone Savio Lanerossi Soffid Hydrocarbons Int. Co.

FOREIGN POLICY

The Communists who are backing Nato

Almost without exception, Italians accept the need for their country's membership of Nato and the EEC, of which it was a founder. Even the Communists, who have fought hard against Italy's entry into both the military alliance and the community, now, officially, accept both.

Apart from its West European links, Italy provides a bridge to North Africa and the Near East, as well as Eastern Europe. These international contacts are of increasing importance as the EEC takes on a more Mediterranean character. At the same time, the Mediterranean area has become a point of East-West military confrontation and a centre of apparently semi-permanent turbulence.

This situation can only enhance Italy's position within the alliances to which it belongs and, to some extent, is a completion of a process begun when Italian ties with the West were confirmed soon after the end of the war.

In the years of industrial expansion, Italy looked north and west, towards the industrialized democracies, rather than south and east. "Scaling the Alps" was one of the fashionable phrases of the time. That has changed.

Mediterranean Europe is now socialist, at least in name.



Who's who in politics

Head of State: Sandro Pertini.
Prime Minister: Bettino Craxi (PSI).
Minister of Finance: Bruno Visentini (PRI).
Government: Coalition of the Christian Democrat (DC), Socialist (PSI), Republican (PRI), Social Democrat (PSDI) and Liberal (PLI) parties.
Parliament: bi-cameral. Chamber of Deputies 630 members representing seven political parties: Christian Democrat, Socialist, Republican, Social Democrat, Liberal, Communist, Radical.
Senate: 322 members

Spain, Greece and Portugal all have socialist governments after emerging from authoritarian regimes. Signor Craxi sees this as contributing to a common resolve to settle problems peacefully and by common agreement. The next European summit will take place in Athens, which is both Mediterranean and socialist. He also sees freedom of decision as important in Europe's relations with the US.

Long before he reached the Prime Ministership, Signor Craxi had been building up his relations with Washington, which publicly welcomed his appointment. His anti-communism clearly helped, but the Americans recognize that his attitude towards them is mutually useful.

He himself points out that past Italian governments were criticized for being too obedient to the Americans, while Washington was inclined to take decisions and only then discuss their application with the allies. Now, he thinks it is the Americans who ask for proposals from Europe.

Autonomy is greater in all fields, and Signor Craxi says that Italy will fully express agreement or disagreement according to its national interests. But the US remains for him, in his own phrase, "our great ally, not only in the military field."

He knows he is supported in his approach by the fact that foreign policy is much less influenced now than in the past by considerations of domestic politics. Never before has there been such broad agreement on the basic lines of foreign policy.

Signor Craxi wants to place his own mark on this degree of unanimity. In the attempt, he



Picture by FOTOGRAF

will not have the freedom he enjoyed when he was simply secretary of his party. He embarrassed the then Prime Minister, Senator Spadolini, during the Falklands campaign by insisting that Italy break the European ranks and refuse to renew sanctions against Argentina, on the grounds that British policy was imperialist.

The Minister of Foreign Affairs, Signor Giulio Andreotti, is a former Prime Minister and the best-known Christian Democrat available for the post whose views and interests are unlikely to clash with Signor Craxi's.

PN

● An anti-nuclear demonstrator flees the batons of police at Comiso, Sicily, where 112 missiles are due to be sited next month. When 1,000 protesters tried to prevent workers entering the Magliocco air base during a three-day demonstration in September, riot police armed with water cannon and tear gas moved in. Ten people were injured before police finally dispersed the demonstrators.

TERRORISM

Have the bombers had their day?

In recent years, Italian police forces have shown a determination and effectiveness unknown in the early days of terrorism. But, the downfall of the Red Brigades has much more to do with their own history and problems than with police action.

The ideological intoxication from the 1968 student movement, as well as the climate surrounding the demonstrations in late 1969, when workers and students battled with the police, were crucial factors in 1970-74, when the Red Brigades first went underground.

Two years ago a young man or woman could join the Red Brigades and believe, perhaps naively but none the less in good faith, that their struggle might succeed. But what could be the motivation today?

The relative successes of the first generation of Brigades were due also to their being highly politicized and to their strong moral commitment to changing Italian society. The youngest generation is an altogether different set of people, often driven by personal despair more than political faith and therefore much more vulnerable. Some observers still argue that extreme-left terrorism is not finished, but is now reorganizing and mapping new strategies and eventually will surface again. But most experts would agree that further bombings and killings will be the work only of a handful of terrorists eager to prove they are still operating.

Terrorism in Italy peaked in 1978-79, when extreme-left groups were responsible for 1,300 incidents and killed 59 people. In 1980, bombings and other terrorist actions fell to 222, to 115 in 1981 and 71 last year. So far this year there have been only half a dozen actions. Extreme-right bombings and other actions were down to 21 in 1982 compared with 146 in 1979 and 72 in 1980.

Alessandro Silj

These figures are impressive and would seem to support the view that Italy, at long last, has entered the post-terrorist era.

This may be only partly true, however. In the past 14 years the Red Brigades and other leftist guerrillas killed 184 people and wounded 362, while extreme-right terrorists killed 166 and wounded 756.

But during the same period the Red Brigades and other leftist groups were responsible for 2,188 incidents, four times as many as those carried out by the extreme right (524). The difference is due to different strategies. Extreme-left terrorism is selective, it usually kills one man at a time (its weapon is the bullet) and its victims are chosen according to specific situations (the Fiat executive, Aldo Moro, the judge, the policeman, etc) to maximize the symbolic meaning of each action.

Extreme-right terrorism kills indiscriminately, as in August 1980, when more than 90 people were killed by a bomb at Bologna station. Its favourite weapons are dynamite and other explosives.

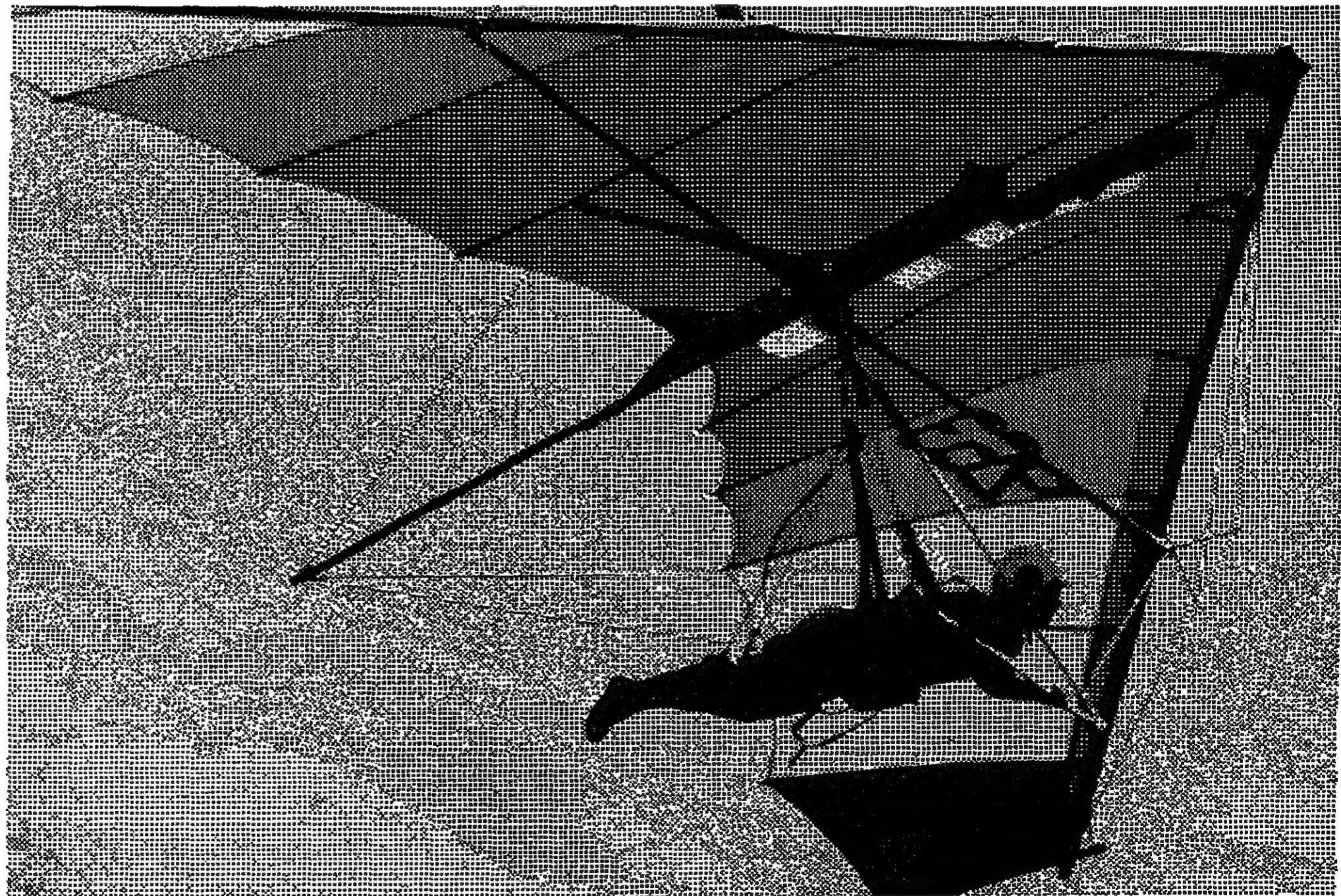
Since 1969, the year that marked the beginning of the so-called strategy of tension, the two types of terrorism have interacted. The "strategy of tension" was the means by which the extreme right tried to create a climate of chaos and lack of confidence in the existing institutions which would facilitate the establishment of a "strong" government. When the Red Brigades started to kill, the extreme-right terrorists withdrew back stage. After all, someone else was doing the job now. Significantly, the bombing of Bologna station came at a time when it had become apparent that the Red Brigades were not as strong as previously, again significantly, the bombings this summer, which fortunately caused no casualties, reminded Italians that extreme-right terrorism still represents a threat.

Much now depends on the course of politics. The unprecedentedly high percentage of abstentions and protest voting in the general election in June was a clear signal of the system's failing credibility, and a political system that has lost popular support can become a tempting target for its enemies.

holding out the prospect of only a degree of cooperation with them on institutional reform.

The problems Signor Craxi has to face present a daunting challenge: a huge public debt, continued inflation, rising unemployment and a dramatic increase in organized crime. His financial proposals have already brought protests from unions and employers alike. So far he has managed to keep a reasonable degree of harmony among his ministers at a time when public quarrelling had reached previously unknown heights. It will not be easy to carry through unpopular measures against a strong opposition with five parties to keep in line behind him. Failure at this point would be serious. Waiting in the wings is a ghost that must urgently be laid: a belief that the system might be approaching exhaustion without providing an answer to the country's growing difficulties.

PROGRESSIVE TECHNOLOGY.



FOR ENSURING EFFICIENCY.

Technology is the key to development and growth. The commitment to progressive technology ensures that high quality products are created more economically to meet the exacting demands of customers.

At Fiat we are maintaining our record of high investment in technological research and in the development of new manufacturing processes and techniques.

Above all there is a new sense of confidence born of a greater commitment to excellence: a revival of the values of efficiency and cooperation that have been a feature of Fiat's past.

Such are the conditions that are creating our cars, our industrial vehicles, agricultural equipment and trains - a whole range of up-to-the-minute products.

Now, as markets become ever more demanding, Fiat is revitalising all areas of its business to meet the challenge.

Politics

party on such issues as the siting of cruise missiles in Italy, which he is ready to accept as an unwelcome necessity, did not damage the Communists.

And so the fundamental problem remains of the western world's largest Communist party - commanding up to a third of the vote - which refuses to go away.

Signor Craxi's personal anti-communism goes back to the treatment which his father, also a Socialist, received from them in the 1948 election, when Socialists and Communists were running together in an alliance. In company with the Christian Democrats, he is reconsidering the Socialist alliance with the Communists in local government - they remain strictly in opposition at national level - and he is

FOR ITALY SAY PILGRIM-AIR

Say Pilgrim-Air for Business. Say Pilgrim-Air for Pleasure.

A comprehensive flight programme operating all year round from Gatwick, Luton and provincial airports to all major Italian cities.

Competitive IT Flights.

Come and see us. ATOL 173

44 Goudge Street London W11 1PH
Tel: 267752
Telex: 5333
Cable: 01-637 5333

PILGRIM-AIR
The Italian Flight Specialists

GROUP FIAT

A progressive enterprise at work.

Do you like nature, the seaside, and wide open, silent spaces?
Would you like an island of peace, right in the middle
of the Mediterranean Sea?

YES! SARDINIA

The island of Nuraghe,
splendid beaches
folklore,
and gastronomy
is waiting for you!

Particular incentives
in low season.
Discount for car ferrying.
Free group excursions
by coach.

**COME AND
DISCOVER
SARDINIA:
HOLIDAYS
ALL THE YEAR
ROUND.**



Information
Ente Sardo
Industria
Turistica
Via Roma, 24
09100 CAGLIARI
(Italy)
Tel. 070/222
Telex 780134 I
or by your
Travel Agency

ITALIAN STATE TOURIST OFFICE (E.N.I.T.)
1, PRINCES STREET - LONDON W1A 7RA - PHONE 4081254

ITALY



Going fast with a touch of Italian class: the Ferrari
(above) and the Lamborghini

The give-away war heats up

Italy has been hit by the recession later than other Western countries, with the result that car dealers have now postponed hopes of a significant upturn till the second half of 1984. This year's sales, which in the period January to September were showing a fall of more than 7 per cent on an annual basis, are expected to be substantially below the 1,683,000 of 1982. This itself was 3.2 per cent less than in 1981, the last year to register an upward trend. Of these, incidentally, nearly 18 per cent have a diesel engine, which bears a much higher registration fee.

Within this shrinking market, Fiat has pulled out all the stops to increase its already dominant share from 51.8 per cent in the first half of last year to 54.8 per cent this summer (counting its subsidiaries Lancia and Auto-Union). It has spent large sums on promoting new models such as the Fiat Uno and the Regata, as well as face-lifting others. The result has been cut-throat competition - discounts, free petrol offers, lotteries, Sunday opening by dealers are among devices used by different makers to woo the public.

Fiat's tactics have paid off. Its holding company Fiat Auto is expected to end this year with a net profit for the first time since 1979, when the Turin-based group split into a series of sector holding companies under the parent Fiat SPA. The group as a whole reported a consoli-

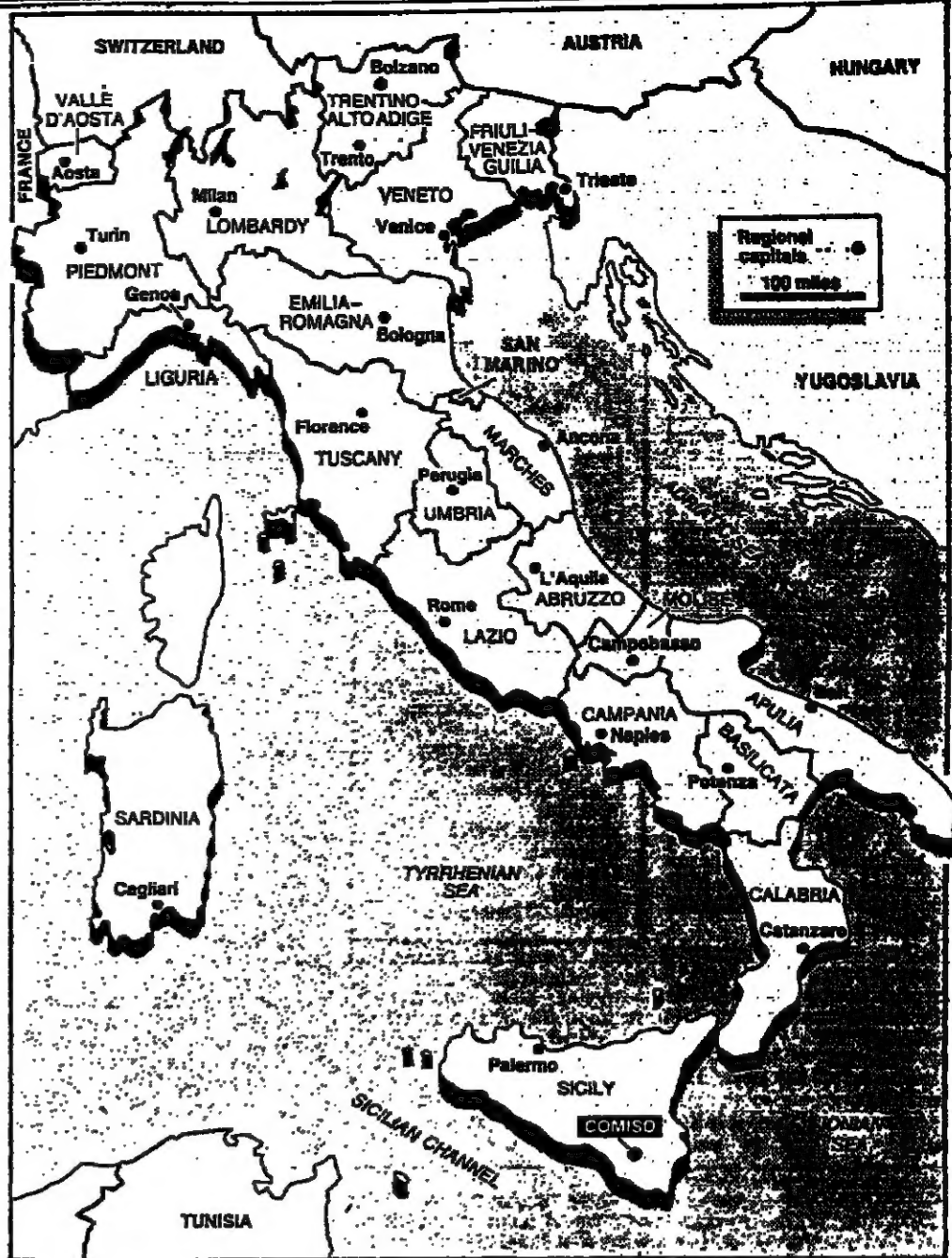
dated net profit last year of 137,000m lire (£58m) against 90,000m lire (£38m) the year before.

In this way Fiat has laid a firmer base for exports - one in three cars made by all manufacturers in Italy are sold abroad. It has succeeded in preserving its lead as number one in Europe, edging ahead from 12.7 per cent of the market in June to 13.1 per cent in July, a length in front of Ford, Volkswagen, Peugeot, Renault and General Motors. In Britain, however, it has lost ground, from 3.2 per cent of the market in January to July 1982 to 2.7 per cent in the same period this year.

State-owned Alfa Romeo is the second manufacturer, though its sales of 106,000 last year represented a market share of only 6.3 per cent. This year it is in the news with the launch of the Arna and of the 1.5 litre Alfa 33. The Arna has made history by giving back-door entry to the Japanese manufacturer Nissan into a market protected against direct sales through an annual quota of 2,000 units. In a joint venture Nissan provides the bodywork and Alfa Romeo the engine for a 1.2 litre car replacing the Alfaud, smallest in the Alfa range. British motorists already know it as the Datsun Cherry.

The third domestic manufacturer, Milan-based Nuova Innocenti now makes its own version with a three-cylinder Daihatsu engine. Its sales are expected to fall from nearly 20,000 in 1982 to around 14,000 this year, less than 1 per cent of the market.

In the face of Fiat's aggressiveness, the foreigners have been beating a retreat, accounting in September for 34.2 per



cent of all sales against nearly 41 per cent in 1982. The luxury foreign make still has snob appeal, and sales of Rolls-Royces have held steady in the last two years at only the rate of about three a month. Renault, by far the most popular foreign make, is having to struggle to maintain its market share of nearly 11 per cent - a long way

behind Fiat, but still number two in the field. The view is heard in the trade that, besides Fiat, Volvo is one of the few to make money, while many others are having a difficult time. Volvo, however, starts from a very small base. Mercedes and BL appear to be holding their own.

John Earle

Steel: pinning the blame

If their proposed cuts are implemented, Finsider will still lose nearly 1,500 billion lire (£625m). There is little profitability, they point out, in a process which takes 450 lire (19 pence) to produce a kilogramme of sheet steel, which is one third the retail price for the same weight of rolls of bread.

IRI has told the Government that 25,000 jobs will have to go. One way of doing this would be to enforce early retirement at the age of 50, for the number of 48-year-olds and above on the Finsider group's payroll who could go during the next two years is 23,557.

From the viewpoint of

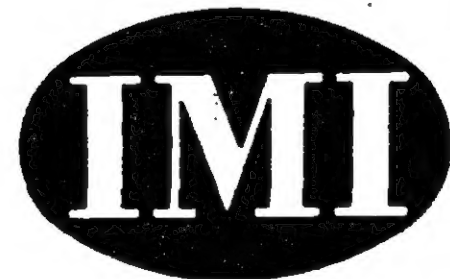
economic efficiency, there is little doubt that Cornigliano ought to be shut. Whether Bagnoli still has a role is questionable. Taranto, the most modern, is the most cost-efficient, and the bulk of production should evidently be concentrated there.

Decisions of such a nature

charged social issues. Genoa's economy is already in serious decline, because of a crisis in shipbuilding and a fall in its port traffic. That of Naples has never recovered from the 1980 earthquake, and has since been compounded by the flight of population from earth tremors at Pozzoli on the outskirts.

JE

to develop your business
with good prospects
look for a leader



industrial financing

Paid-up capital and legal reserves: 1,359.8 billion lire
Allowances for losses: 749.5 billion lire

ISTITUTO MOBILIARE ITALIANO

Public Law Credit Institute
Head Office: ROME - Viale dell'Arte, 25 (Italy)

Representative Offices abroad: LONDON EC 4R OBE, 8 Laurence Pountney Hill - ZURICH 8022, Glärnschstrasse 30, Postfach - BRUSSELS 1050, 67 rue de la Vallée, BTE 7 - WASHINGTON 20036 D.C., 21 Dupont Circle, The Euram Building - MEXICO CITY 06500 D.F., Paseo de la Reforma 195, Despacho 1301.

Regional Offices in Italy: Milan, Turin, Genoa, Padua, Venice, Bologna, Florence, Rome, Naples, Bari, Catania.



**COOPERATIVA
MURATORI & CEMENTISTI
C.M.C. di RAVENNA**

S.r.l. SINCE 1901

The LARGEST Co-operative Society in EUROPE and a LEADING ITALIAN Civil Engineering Construction Enterprise

- Our fields of specialization:

ALL INFRASTRUCTURAL PROJECTS AND CIVIL WORKS (DAMS, HIGHWAYS, POWER STATIONS, INDUSTRIAL PLANTS, SEWAGES, WATER TREATMENT PLANTS, ETC.)

- Our areas of operation:

ITALY - ALGERIA - SOMALIA - TANZANIA - MOZAMBIQUE

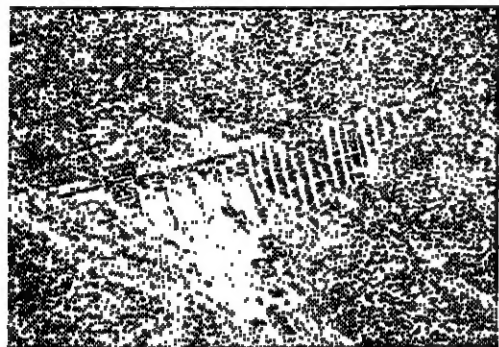
- OUR TURNOVER:

1980: 164 billion lire
1981: 199 billion lire
1982: 210 billion lire (forecast)

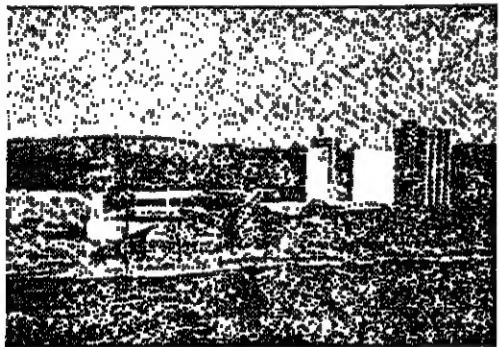
Your enquiries will be welcome at:

**COOPERATIVA
MURATORI & CEMENTISTI
C.M.C. di RAVENNA** (S.r.l. dal 1901)

Head Office: Via Trieste n. 76
48100 RAVENNA (ITALY)
Ph: 0544/463211
Tlx: 550850 CMCDCE I



M'Tera Dam - at M'Tera (Tanzania)



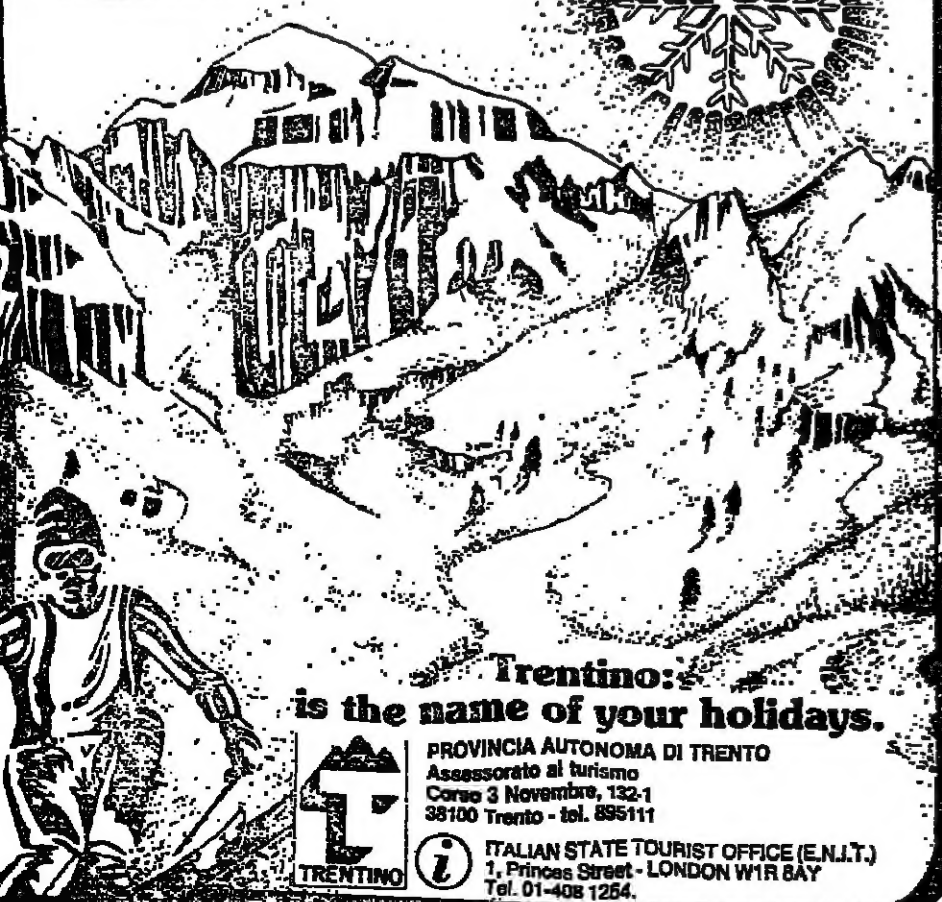
Grain storage silos in Algeria (Bagnoli, Fedj M'Zala, Sidi Aich)



Burao-Berbera Road in the Somali Democratic Republic

**TRENTINO Italy is for all,
but especially for you.**

All winter sports and lots of snow. Come to Trentino. You'll be grateful for the suggestion.



Trentino:
is the name of your holidays.

PROVINCIA AUTONOMA DI TRENTO
Assessorato al Turismo
Corso 3 Novembre, 132-1
38100 Trento - tel. 896111
ITALIAN STATE TOURIST OFFICE (E.N.I.T.)
1, Princes Street - LONDON W1R 8AY
Tel. 01-408 1254

Production figures up

Italy, as shown in figures available from IRI, is the only European Community country to have increased production in the decade 1972-82, from 19.8 million tonnes to 24.0 million tonnes. West Germany reduced from 43.7 to 35.9 million tonnes, France from 24.1 to 18.4 million tonnes, Britain from 25.4 to 13.8 million tonnes, and so on.

Similarly West Germany reduced its workforce from 232,000 in 1974 by 27.5 per cent to 168,000 in June this year. France from 158,000 by 41.1 per cent to 92,500. Britain from 194,500 by no less than 65.3 per cent to 67,500. Yet Italy, with 95,700 steelworkers in June 1974, still had 91,700, only 4.2 per cent less, in June.

The fault lies primarily with the politicians, particularly the Christian Democrats and Socialists who have held the Ministry for State Participations in recent years. Under the last government 1,000 billion lire (£420m) were allocated to restructure Bagnoli, which in consequence is now closed. No one knows if it will reopen.

The managers at IRI and Finsider have clear ideas about what needs to be done. It is they who bear the immediate impact of mistaken policies. IRI now loses more than 3,000 billion lire (£1,250m) of which 2,000 billion lire (£830m) are due to steel. Next year, if the government takes no action, they forecast that Finsider will lose more than 2,500 billion lire (£1,050m).

The changing mood of the Church



Catholicism has its centre in Rome, its influence is felt in Italy much more than in any other country of the world.

times with good results and sometimes with bad, as the history of nineteen centuries demonstrates. But it seems that the situation can largely be regarded favourably, at least from the religious point of view. The Italian people are deeply rooted in Christianity. Notwithstanding modern life's pressures, or the tradition of laicism, which has run parallel with the Catholic one for the last few centuries, Italians retain a Catholic mentality. Their feelings, thoughts, judgments, values, aspirations and even rebellions, vices and sins reflect the long history of their confrontations with the Church. A lot of them are indifferent to it; some of them oppose it. But it is not always wholly their fault. Some of them feel the loss of a more authentic Church, a Church which is friendlier, more understanding of them, simpler and more devoted to the poor.

Italian bishops - now united in a national conference - seem to have realized this and made it their main current commitment. Leaving their sometimes majestic dwelling places, they go out among their clergy and flock, with a new style of pastoral simplicity.

The spirit of the Church in Italy today is no longer represented by isolated personalities; it has acquired a new character which is the presence of the people of God, now closer to their bishops and priests, struggling together, for a new community life, with the participation of young people, as well as of adults and families, in various activities, around the parish churches.

Bishops have been working hard for many years to give two very important gifts to their people: a new way to worship and pray together in an understandable language - and this they did in the new liturgical books for the Mass, the Divine Office and the sacraments - and a new way to learn the contents of their faith, and this they have done in the new catechetical books.

A silent revolution affected individuals and families, bringing them together in small communities which concern themselves with the Gospel and the Bible, training in prayer, preparation of liturgical ceremonies, better understanding of their faith and consequent commitments. As a result, you can find more or less every-

In a new style of pastoral simplicity, the bishops are leaving their sometimes majestic dwellings and going out among their clergy and flock

where in Italy such groups and observe their dynamism in religious fields, such as participation in liturgy, teaching catechism to children and young people, helping families in need, aiding the handicapped, poor or unemployed.

There is a new kind of Catholicism in Italy, which is increasing daily and is changing religious life, from a formal to a more concrete level, from the privilege of the elite to availability to everybody, from great and representative names to the anonymous multitude of the people of God.

The stimulation came from the Vatican Council, from the teaching and examples of the last four Popes and from the dedication of bishops and priests. Some people may be

surprised by this description, because in the past the Italian Church was often spoken of in the newspapers as an institution of power. It is becoming more and more one of faith and charity, working in depth, not on the surface. However, one should not overlook the efforts of the Italian Church in many fields of public life, such as the declarations and exhortations of its bishops against social evils that reveal a lack of morality, and its substantial help during public calamities.

A famous meeting on evangelization and human promotion that took place in Rome in 1976 was an effort by the bishops to bring together all the forces of the Church in order to gain a clearer understanding of secular society and to serve it better.

The Italian Church is now much less involved in politics than before. It is involved in religion. A proof of this is the abundance of publications on religious subjects that fully occupy more than 30 Catholic publishers and, in part, some very important publishing houses. Books on the theology, liturgy, biblical sciences, moral problems and history of the Church fill the bookshops. Periodical reviews at a scientific level, periodical bulletins, weekly magazines and daily newspapers with a popular appeal are evidence of the work of thinkers and the interest of their readers.

This is the framework of the Italian Church. In it, organized groups stand out, such as Catholic Action, a longstanding

association for the apostolate of the laity, or Communion and Liberation, a strong new movement for the spread of religious ideas into all parts of society, or the Focolarini, a fresh, young and widespread alliance of hearts for greater love in the world, or the charismatic movement. All of them are working with intelligence and devotion, as is the esteemed Catholic University of the Sacred Heart.

Many problems remain. Nuns, for example, have not yet worked out their role in the Church to their satisfaction.

There are threats to the commitment of the people of God, such as the increasing pressures of social problems. But, on the whole, the Italian Church is alive, dynamic, working well and changing for the better.

Virgilio Levi

Former Deputy Editor of L'Osservatore Romano

Picture by Laura Sparham



Priest and people at the Vatican: now that the Italian church is less involved in politics, can it bridge the pastoral gap?

UNIVERSITIES

Teaching without being booed

Outwardly there is little to remind observers of the protest years of Italian universities. The violent political demonstrations of 1968 and the terrorism of the mid-1970s seem to belong to another generation. Now both the teaching staff, often products of 1968, and the students, children of the economic depression, appear to be absorbed by university affairs - the need for better academic standards, better administration, more research and just plain undergraduate study.

Talking to professors and students alike, whether in Rome or in the provinces, one finds a new mood of self-criticism, but also of optimism. Professors can now teach without fear of being booed out of the lecture hall for their political beliefs. "There are still the usual political posters," said one student. "But these don't mean much any more. Politics is now left behind outside the university." Students go to their lectures, take their exams and value a good degree as a means of getting a job during a recession.

On the whole there is none of the gloom that characterizes the British academic community these days, faced as it is with the need for drastic financial savings. Italy has been lucky by comparison. Education is not one of the areas which has been touched by severe public spending cuts.

At university level the job situation is better now than it has been for a long time. People who had been teaching for years without any contract are now gradually being given some form of official status as lecturers or researchers under the terms of a recent reform bill. Students complain about the cost of books and transport, but accommodation is not the problem it is in Britain because most students still choose to go to a university within commuting distance of their home town.

This form of provincialism, together with the open admissions policy that came into force as a result of the political protests in 1968, caused enormous overcrowding in the big city universities throughout the 1970s.

The student body is decreasing: it is down from 100,000 full-time students in 1981 to 95,000 last year. This is partly due to a decline in student-age population and partly because of the reputation Rome gained for violence and disorganization in the 1970s. The policy of building new institutions of higher education outside but within easy reach of Rome has

also helped, although the full effect of Rome's second university, at Tor Vergata, on the outskirts of the city will probably not be felt for some time. It has been open for only one full year and is still struggling hard to attract students away from its inner city rival.

The main problem still facing the universities, however, is the open admissions system, under which anyone with the higher secondary school diploma has an automatic right to a university place. Not many university teachers have a good word to say for the system in private but few call for a return to selective admissions in public, as the subject of elite higher education is still political dynamite.

As so often happens in Italy, change is creeping in almost unnoticed. Even the Ministry for State Education now admits that newly constituted institutes of higher education are allowed to impose some form of selective admissions if they so wish. At present, residency requirements rather than merit are the criteria used, but even academic merit is becoming respectable in some faculties.

Dentistry at the University of Rome now has what is called a programmed admissions system. Under this student numbers are set each year according to the country's need for dentists. Would-be students are then selected according to school diploma marks or entry exam. Much the same sort of system for medicine is likely to be introduced under the terms of a new bill awaiting parliamentary debate. Here programmed admissions are needed even more urgently as Italy has more doctors per head of population than any other European country.

Medicine was also one of the faculties that had to cope with a large influx of foreign students during the 1970s. This was because almost all other European countries and the United States already had very competitive systems of admission to their medical schools. Moreover, the costs of both tuition and accommodation were negligible compared to those in countries with a similar standard of medical education. Now, life is not so easy for foreign students. Almost all faculties with a large number of foreign applicants, particularly medicine, engineering, physical sciences and architecture, are using a programmed admissions system as well as various forms of entry exams.

Mary Venturini



Palermo

and the three gulf coast

closer and closer

art, history, folklore, gastronomy.

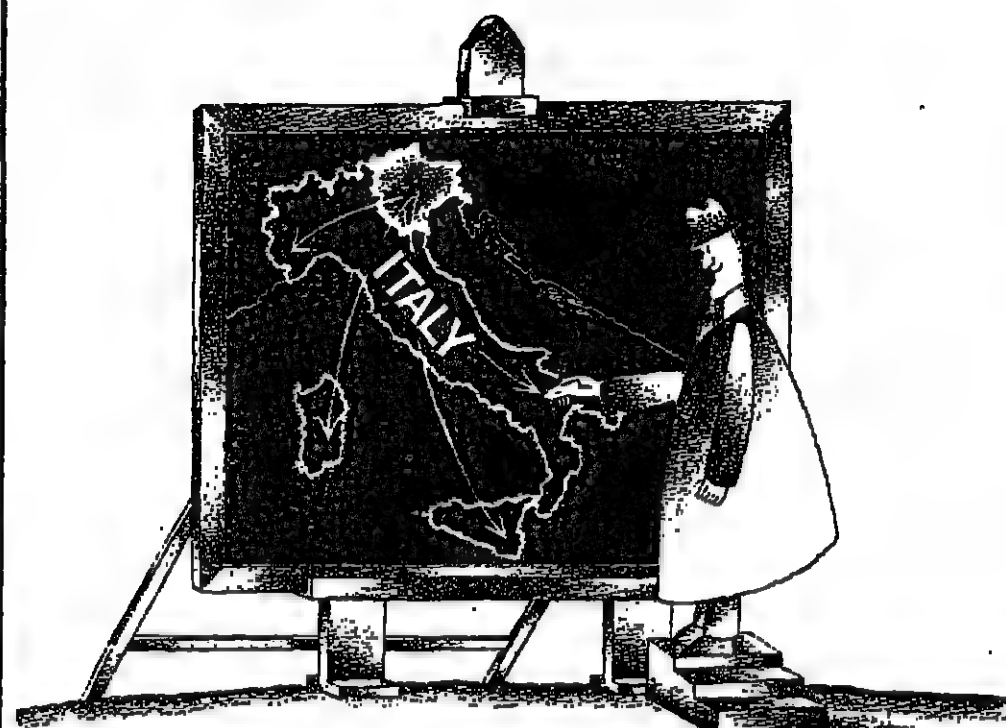
comfortable hotels of all categories with 15,000 beds, along the 180 Km coast.

Special prices. Means of communication leaving several times during the day, by railway, sea and air.

excursions to Sicily's most famous archaeological, historical and tourist sites, from Palermo with organised Tours or hired cars.



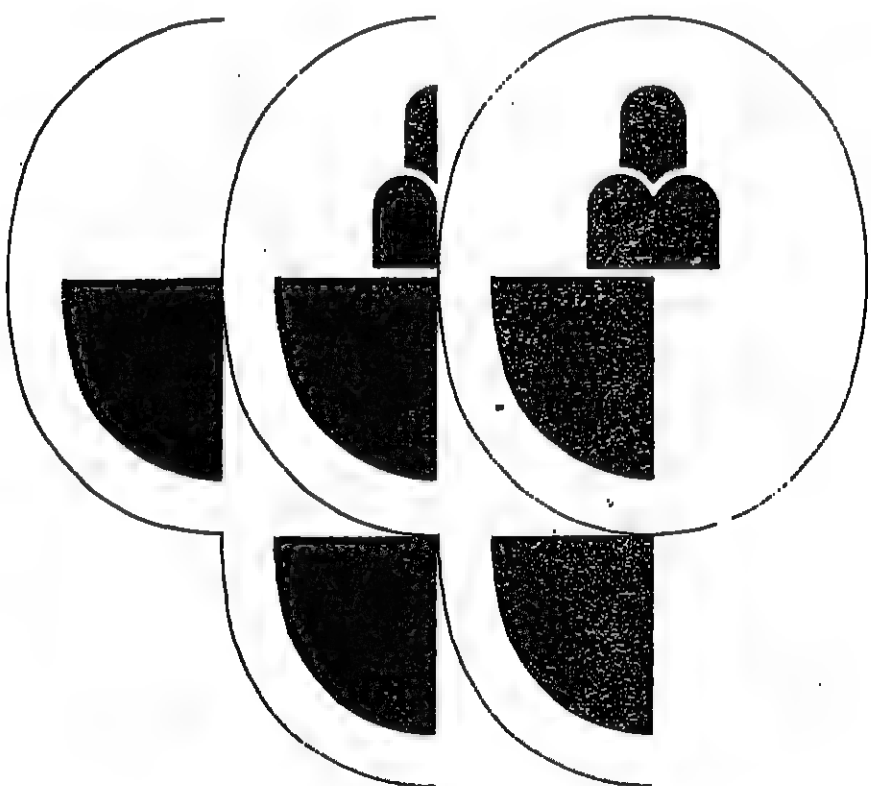
E.P.T. - Ente Provinciale Turismo Palermo
Piazza Castelnuovo, 35
Tel 091/589122 - 523047 - Telex 910173



From here,
we serve you
Italy-wide

An area that counts in Italy,
the North-East, is blanketed by
our branch offices.
Our organisation operates in
all corners of Italy; which also
count.

Banca Cattolica del Veneto



**MONTE
DEI PASCHI
DI SIENA**

Bank founded 1472



419 Branches in Italy.

Branch in New York.

Representative Offices abroad:

Cairo, Frankfurt am Main, London,

São Paulo, Singapore.

Subsidiary Bank abroad:

Italian International Bank Ltd., London.

Main Affiliates abroad:

Banque du Sud S.A., Tunis.

United Bank for Africa Ltd., Lagos.

Correspondents all over the world

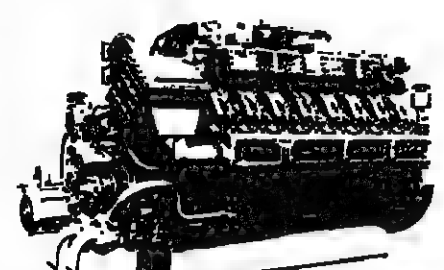


**ISOTTA
FRASCHINI**

Head Office and Works: via Milano 7 - 20121 BARI (BARI) - Tel. 080/581551 - Telex 310173 - P.O. Box 10
Bari Works: Zona Industriale - 70100 BARI - Tel. 080/371028 - Telex 510173 - P.O. Box 10

ISOTTA FRASCHINI produces Diesel engines, in the power range from 350 to 2,500 HP, for industrial applications (generating sets and pump-sets), marine applications (Marine propulsion for fast vessels and auxiliary groups), and railways applications (Diesel electric and Diesel hydraulic traction). ISOTTA FRASCHINI manufactures hydraulic couplings as well, which transfer power up to 20,000 HP; they can be also utilized for thermoelectrical and nuclear power plants.

has considerably increased its export sales, which - at the present time - is approx. 35 per cent.



Two remarkable international events must be noted:

- The first is referred to the cooperation agreement with Lohmann Stotterfoht, which belongs to the MANNESMANN REXROTH GROUP, part of MANNESMANN AG Düsseldorf, for the world wide marketing of the ISOTTA FRASCHINI hydraulic couplings. Because of the size, prestige and marketing organization of the MANNESMANN REXROTH GROUP, it is quite easy to foresee the importance for ISOTTA FRASCHINI in terms of turnover increase.

- The second referred to is a licence agreement with PAXMAN DIESEL LTD. of Colchester, U.K., for the manufacture in Italy of the Valenta range of engines. This agreement enables ISOTTA FRASCHINI to extend their power range up to 4,500 HP, to cover the market segment for rail traction, industrial and marine generation and main propulsion for naval application.



ISOTTA FRASCHINI is part of the FINMECCANICA (I.R.I.) GROUP and is one of the VM Group Companies. VM Group is the leader of the State-owned Diesel engine sector, which achieving an integration policy of the products and a co-ordination of the marketing strategies of the individual Companies, is able to offer to the market a range of power from 6 to 2,500 HP. Since the VM Group was set up, due to this rationalization process, ISOTTA FRASCHINI has doubled its turnover and

AGRICULTURE

The fruit farmer prodding the EEC



Judging by policy. Perhaps Italy should learn a lesson or two from Mrs Thatcher and think a bit more about its national interests, he says. Alluding to Greece and even to the outsider Turkey, he talks about countries bargaining military favours in return for EEC agricultural concessions, something which Italy has never done, he points out.

There is not much doubt that farming has been the poor country cousin of Italy's post-war economic development. Industry has always taken pride of place, followed more recently by the ever-growing service sector. Now, however, industry is beginning to take an interest in agriculture as a new potential market for its products. Companies such as Olivetti, Montedison and Fiat, to mention the big names in the private sector, are treating farmers with a new respect. It is estimated that the agricultural sector is worth about 12,000 billion lire a year in orders to industry and that nearly one million workers in the industrial and commercial sectors of the economy are directly dependent on agricultural production. It is no longer just a matter of farmers' voting power: their buying power is becoming increasingly important.

Although he admits that farmers have very good relations with the Ministry of Agriculture, especially under its new head, Signor Filippo Maria Pandolfi, he says that the Ministry of Foreign and Common Market Affairs have downgraded agriculture in their dealings with the EEC. Faced with constant prodding from Wallner, a young and outspoken fruit farmer from Verona, all this could change.

Although Wallner professes to be a firm supporter of the EEC he thinks that Italy has often been too European and not Italian enough in its farm



Gathering in the wine harvest

What makes the Italian agricultural market so attractive is that it has considerable untapped potential. In almost all respects it still lags behind its European Community competitors. It is easy enough to find the typical peasant smallholding, dependent on family labour, within easy reach of

Rome, as well as in the hill district of central Italy or rural Sicily. It is more difficult to find such a picture in the fertile Po Valley of the North or in the southern Puglia plain.

Even so, last year's agricultural census shows that the average size of Italian farms is only 7.2 hectares. This is

slightly better than the 1970 average of 6.9 hectares but looks ridiculous beside the British figure of 63 hectares.

Wallner does not think that there will be much change in the size of Italian farms until the rental laws are reformed. At present tenants have virtual rent-controlled life tenure not

only of farm buildings but also of grazing and arable land. Under these conditions, he says, only people interested in farming for themselves are likely to plough finance into agriculture on a large scale.

However, one new solution for those who want to invest in land without getting involved in

the daily business of farming is the agricultural service company. A number of these have started up in recent years either as branches of big industrial manufacturers or backed by money from large corporations. These offer services such as general farm management, computerized feedstock control, legal and financial advice, in return for a fee or a share of the profits, depending on the type of contract.

While there are increasing improvements in farm production itself there is still much progress to be made in distribution and marketing. This applies to both the domestic and export markets. At home produce still goes through the wholesaler, often alleged to be linked with criminal organizations in the south and political party associations in the north. To the small village market or shop, fresh food remains the order of the day and the process industries, whether canning, freezing or drying or vacuum packaging, lag far behind their American or North European competitors. Spanish oranges, not to mention Israeli ones, are better known in British shops than Italian ones. French cheeses, wine and olive oil still take up more room on British supermarket shelves than the same products from Italy.

The progress made by Italian wines on export markets is just one example of what can be done with careful production control, efficient distribution and good advertising, even though increasing sales have not made life any easier between French and Italian farmers.

Not as much can be said for olive oil. Italian farmers have not helped their cause by

Facts and Figures

Area:	116,302 sq miles
Population:	57.4 million
GDP per capita:	\$5,154 (1982)
Percentage of workforce engaged in:	
Industry:	35.9% (1983)
Agriculture:	11.9% (1983)
Revenue from tourism:	11,289 bn lire (64,775m) 1982
Wine production:	
1982-78m hectolitres	
1983 (estimate) -	80m hectolitres
Inflation rate:	15.5% (June, 1983)

Source: Bank of Italy

grossly inflating production figures in their claims for EEC subsidies. There is now an end in sight for this loophole as the Ministry of Agriculture and Confagricoltura are in the process of taking an aerial inventory of all the olive plants in the peninsula. Better relations with its existing fellow EEC partners are certainly necessary on this front as Italy still faces a hard fight ahead over the entry terms for Spain, one of its main competitors in the oil business.

Officially Italy is all in favour of enlargement. But farmers such as Stefano Wallner are determined that Italian agriculture should not be left to bear the cost. If production subsidies are not able to go round now under the present system, he says, how can they be expected to go around after enlargement unless the whole financing system is revised and revised quickly. **Mary Venturini**

DREAM WEEKENDS, OR LONGER

This winter in VENICE but the PEGASUS

EUROPEAN CITIES programme also offers BOLOGNA-FLORENCE GENOVA-MILAN-MUNICH-ROME TURIN-VERONA VIENNA SPECIAL OFFER £30 off Florence, Genoa Verona. All depts. 3rd Nov/8th Dec. See your ABTA travel agent or send us coupon.

NAME _____ ADDRESS _____

Send to: PEGASUS HOLIDAYS FREEPOST LONDON W1W 0BB (No Stamp)

Questions still to be answered about the Vatican Bank

FINANCE

Ripples of the collapse in 1982 of the late Signor Roberto Calvi's Banco Ambrosiano still ruffle the surface of the banking world. Court actions brought by foreign creditor banks have yet to be settled. The Bank of Italy has made domestic banks eliminate or absorb foreign subsidiaries organized as holding companies, to guard against the type of operations that were conducted through the Ambrosiano's holding in Luxembourg.

Seen from Rome, however, the main unsettled question in the relationship with the Vatican Bank, the Istituto Per Le Opere Di Religione (IOR). The Italian Government contends that most of the Ambrosiano deficiency stemmed from unwise operations performed in the name of the IOR.

Its exact involvement has been the subject of an investigation by a joint Italo-Vatican commission set up last Decem-

ber. But, whatever basis may be found for a financial settlement, the question has not yet been tackled of the IOR's future status.

Established in 1942, the IOR is in an ambiguous situation, being able to act as both an Italian and a foreign bank. From its premises on the sovereign territory of the Vatican City, out of Rome's reach, unscrupulous Italians have been able to evade their country's foreign exchange regulations. The Italian authorities would therefore like the IOR to set up, for operations involving lire, a branch on Italian soil, subject to Italian regulations like any foreign bank's branch in Italy. The IOR's headquarters, in the Vatican City, would continue to move foreign currency around the world for Roman Catholic bodies outside the concern of the Italian authorities. Whether such a tidy solution can be

reached in a reasonable time is however another matter.

For Italy's banks, this has been a year for stock taking and looking to the future. The economy, seventh in the industrialised world, attracts a slowly-increasing number of foreign banks, particularly to Milan. They see scope in supporting foreign trade operations, in merchant banking activities - still relatively undeveloped - in sectors such as leasing and factoring. The latest to establish a Milan branch, in October, was the Bahrain-based Arab Banking Corporation.

Foreign competition should stimulate modernisation and rationalisation in a system which some foreign bankers consider, in certain respects, to be still remarkably old-fashioned. Techniques, for

example, for cheque clearance or the international remittance of funds could be greatly improved. The system is highly fragmented. A population comparable to that of Britain is served by more than a thousand banks, ranging from internationally-known ones to some with one branch in a small town.

Other financial services too, lag behind the degree of development reached by industry. The Milan Bourse is the first to admit that it falls behind in providing equity capital for companies. Only 147 companies are listed - none of them foreign - and some well-known names in industry have never sought a quotation.

This inadequacy is not due to the Bourse authorities, which have an active public relations programme to make known their activities at home and abroad. On November 10 for

example they are sponsoring a seminar at the Berkeley Hotel, London, on "The Italian Financial and Industrial World", with leading speakers from Italian finance and industry.

Signor Ettore Fumagalli, President of the Bourse, sees government policies during the last 50 years as partly to blame for this state of affairs. The Fascist regime, faced in the great depression of 1929 with the problem of rescuing banks and their industrial holdings, put them in the specially formed IRI (Istituto per la Ricostruzione Industriale), which it capitalized with public funds. After the war, Christian Democratic governments followed a policy of "credit capital, not risk capital", and promoted reconstruction through concessional loans. Much of industry remained insensitive to the Bourse. In fact, Signor Fumagalli said, the President of

Confindustria, the confederation of private industry, has never visited the Milan Bourse - a defect he hoped to remedy in the near future by receiving the president, Signor Vittorio Merloni.

"There is a 60-year gap between Anglo-Saxon Bourses and us," he added. Italian Bourses lack regulation on take over bids, on protecting small shareholders when control passes from one group to another, on insider trading. Bills on these subjects were before the last Parliament when it was dissolved earlier this year, and the Milan Bourse is pressing for them to be resubmitted to the new parliament.

Private and institutional investors are enticed away from equity investment by double-digit, tax-free yields on Treasury paper. The Bourse has consequently become the preserve of speculators looking for

quick-time capital gain. Consob, the supervisory commission set up by the Government eight years ago, is ineffective. It suffers from what Signor Fumagalli calls "the incurable disease of bureaucracy, or, to quote the Consob chairman Signor Vincenzo Milazzo, before a parliamentary commission, "it was stillborn".

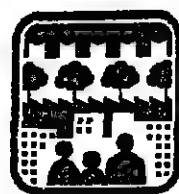
A law this year permits, for the first time, Italian unit trusts - the few now authorized to operate are based abroad, mostly in Luxembourg. Will this breathe new life into the Bourse? Or will existing investors merely switch their holding into trusts, because they offer certain tax benefits? Several funds are in the pipeline, but none have appeared on offer yet and it is too early to see.

John Earle

Reliance on facts

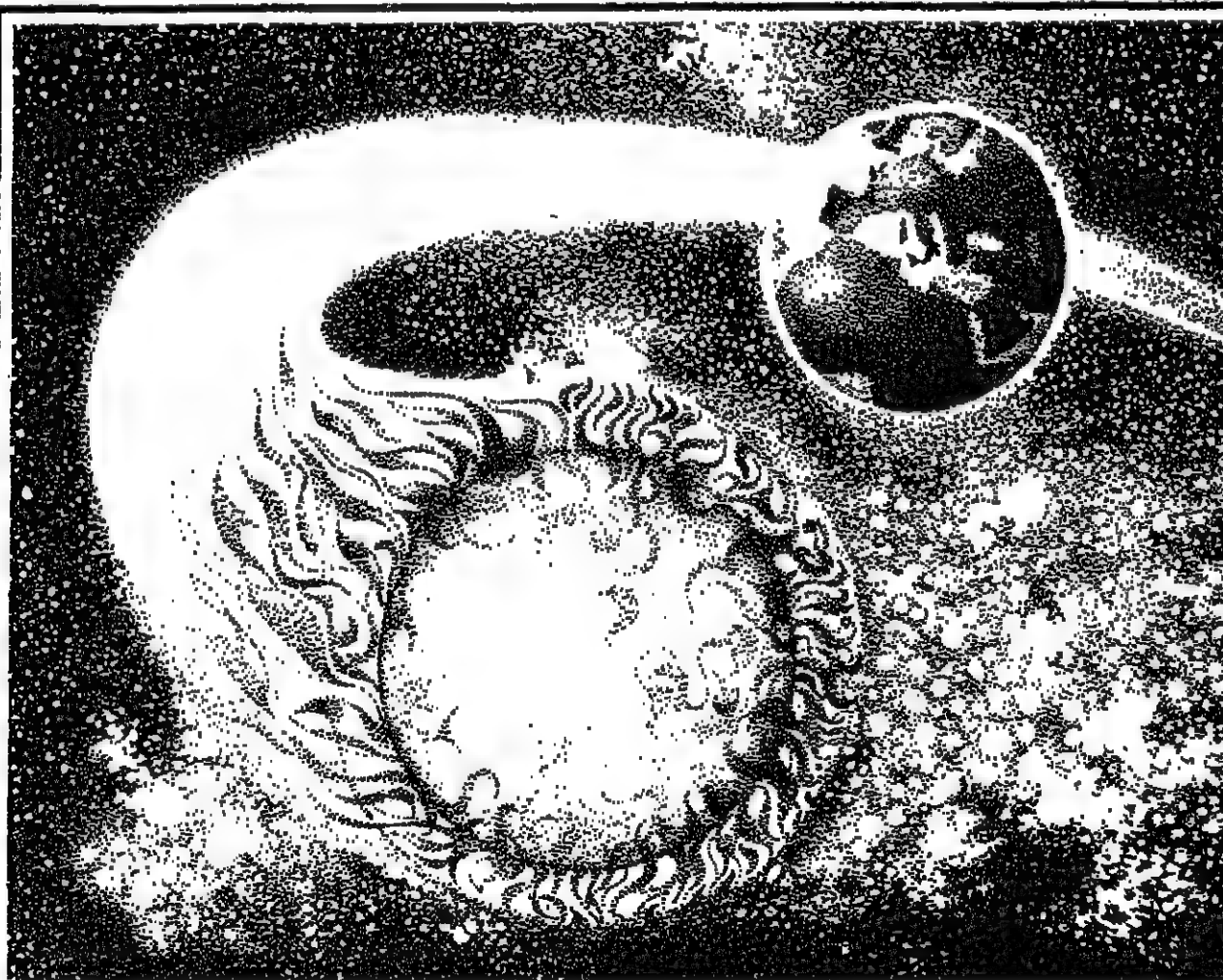
For its operational and productive size structure, Cassa di Risparmio e Depositi di Prato is the leading bank in the major textile area of Europe.

The Cassa's vital activity and available resources, its widespread flexible network of branches, which can be considered actual service centres, enable the bank to fully satisfy the various requirements of families and industries.



CASSA DI RISPARMIO E DEPOSITI DI PRATO

50071 PRATO/ITALY - VIA DEGLI ALBERTI, 2 - TEL. (059-574) 4921 - TELEX PRATO E 57232 - PRATO I 57242



Sanpaolo Bank: date of birth 1563...

When we still believed the sun circled the earth.

SANPAOLO BANK

ISTITUTO BANCARIO SAN PAOLO DI TORINO

Head Office: Turin - Italy
360 Branches in Italy
Foreign Network: Branches in Amsterdam, Frankfurt, London (Licensed Deposit Taker), Los Angeles, Munich, Agency in New York; Representative Offices in Paris and Zurich.

Commentary



Geoffrey Smith

Grenadians seize their chance to clean the slate and start again

From Trevor Fishlock, St George's, Grenada

The undertaker and his men were doing their mopping up, too, digging a pit beside the shot-up radio station and throwing in the bodies of two Grenadian soldiers, one on top of the other. No honours for these dead, no salutes or bugles.

Most Grenadian soldiers, however, had seen the futility of resisting the might of the Marines and the 82nd airborne division. Many threw away their guns, wriggled out of their uniforms and fled in their underwear.

Several hundred of them have already reported to a sports stadium to surrender. They give name, rank and number to a member of the Caribbean peace-keeping force and hand over any weapons they have. In return, they go free under the amnesty offered by the governor-general and drift back to their villages among the nutmeg trees.

This is the wisest course. In a small and intimate island of 110,000 people there is no animosity. People are going to American soldiers and pointing their fingers at the young men who were in the revolutionary army.

They are settling their scores, but they also want to eradicate a stain. Grenadians feel a sense of gratitude to the surgeons who have healed their abscess. They also feel relief and pleasure at the sudden opportunity to wipe the slate and start again.

Queen Elizabeth II is still the Queen of Grenada and her Governor-General rules from Government House, an eighteenth-century mansion set among palms with portraits of the Queen and Queen Victoria on the walls.

The memories of the "old days", the colonial days, are seductive for many people. There is a deep desire for order after the recent savagery.

Patrolling soldiers are gratified to see "God bless America" painted on the walls, to find people slicing off the tops of coconuts and offering them a drink.

For the American forces it was a good war, an old-fashioned, uncomplicated sort of war. It was not a difficult operation.

The enemy was small in number, but fought hard for two or three days, giving the Americans a run for their money, so that soldiers had the experience of what they had trained for and earnestly desired: a real war, what they firmly believed to be a just war.

They were embraced as liberators. What a pleasant change it has been for military men who look back over the dismal aspects of Lebanon, Vietnam and the Iranian desert fiasco. Here, at last, the issue was simple and they were zapping the reds.

Officers expressed pleasure at such an excellent training mission which was also the real thing. The airlifting of the 82nd Airborne from Point Salines, to the airport at Pears, on Monday, was a satisfying demonstration of power and organization.

For the business-minded Reagan Administration, the drawing of the profit and loss account must be satisfying. Some of the commentators and politicians and part of the press are complaining, but here at last was a positive and popular stroke.

There was an inevitability about the events of the past two weeks. The Reagan Administration needed to tread on communist fingers, to make a demonstration of strength. Indeed, many of those who voted for Mr Reagan were expecting him to show the Cubans where they got off.

In an island most Americans had never heard of, there was what the Administration diagnosed as a cancer of Cuban militarism. Also, as luck would have it, a deteriorating Government, reeling by the struggles of ambitious men.

In the middle was the doomed Maurice Bishop, always described as a Marxist, but by no means a hard-line one.

Trinidad in UN move to replace US troops

From Zdzislaw Pysariwsky, New York

The United Nations General Assembly was last night debating a resolution drafted by Trinidad and Tobago, which called for the deployment in Grenada of a Commonwealth security presence, and the immediate establishment of a broadly-based civilian interim administration charged with organizing elections.

The draft is complementary to the resolution adopted late on Wednesday deploring the armed intervention in Grenada, calling for the immediate withdrawal of the invasion forces and requesting the holding of free elections.

A total of 108 countries supported the text, nine countries rejected the measure, and 27 abstained.

The central issue continued to be the legality or otherwise of the American-led intervention. This preoccupation was further increased by the discovery that the security treaty between Eastern Caribbean states had not been registered with the United Nations, as required under the United Nations charter, and therefore had no legal basis.

In the debate the United States was portrayed by many speakers as an adventurer seizing the opportunity to show its military might. But there was also an attempt to show more understanding of the concerns and fears of the Caribbean region, whose imprudence could be more easily forgiven.

The dual message coming from the debate was amplified by the introduction of the Trinidad and Tobago draft, which, rather than dwelling on past and present circumstances in Grenada, looked to the future.

In the Assembly debate, Mrs Jeane Kirkpatrick, the American representative, said that Mr Maurice Bishop, the overthrown Grenadian Prime Minister, was murdered when he discovered and resisted the high price of "embracing the Russian bear".

Arrest over tapping of computers

From Ivor Davis, Los Angeles

In the film *War Games* a teenage student hooks into sophisticated government top secret computers and nearly starts a nuclear war. It was fiction.

But on Wednesday, Ronald Mark Austin, who is 19, and a self-taught computer operator, was arrested and charged with using his home computer to tap US Defence Department computers.

Mr Austin, a student at the University of California in Los Angeles, was charged with breaking into 200 computer files at 14 military, university and private research groups from California to Norway.

"It is a little like the *War Games* scenario without the nuclear effects", Mr Tom Tugend, a university spokesman said.

The Los Angeles County District Attorney, Mr Robert Philbosian, said: "This is not some childish prank. We are talking about something that damaged data, blocked use and has cost hundreds of thousands of dollars, so in that sense you are talking about a theft from those companies and the Federal Government."



Mr Walesa leaving the Lenin Shipyard, Gdansk, where he has returned after sick leave.

Walesa will not go to Nobel ceremony

From Roger Boyes, Warsaw

Mr Lech Walesa, the leader of Poland's banned Solidarity trade union, has decided against travelling to Oslo next month to collect his Nobel peace prize.

Instead, according to a statement issued yesterday, he proposed that his wife, Danuta, should attend the ceremony and read a speech from the rostrum.

Mr Walesa has expressed fears that if he leaves the country and makes a radical speech in Norway he will be barred from reentering Poland.

His wife will be accompanied by their 13-year-old son, Bogdan and by Tadeusz Mazowiecki, a leading Catholic activist trusted by the Polish church leadership.

To underline the fact that the Nobel prize was for his trade union activities, Mr Walesa has invited a number of international trade unionists to the Nobel ceremony, including the chairman of the World Council of Trade Unions, Mr Sander Gaspar, and M Francois Blanchard of the International Labour Organization.

The Kr1.5m prize is to be given to the Catholic Church for use in a fund that will bring investment in Polish private farms. Mr Walesa confirmed yesterday. He said that until the special fund had been established the cheque would stay with the Nobel committee.

A leading church dignitary, Bishop Szezeban Wesoły, will also attend the Nobel ceremony on December 10.

Police hurt in clash at airport

Frankfurt (AP) - Police have blamed a gang of masked "troublemaking troops" from as far away as Denmark for a clash at Frankfurt's international airport on Wednesday night.

Some 500 masked demonstrators armed with petrol bombs, slingshots and ballbearings, stones and tree branches battled with riot police on the controversial third runway under construction. Eight people were arrested and two policemen taken to hospital.

Second Kenyan airman freed

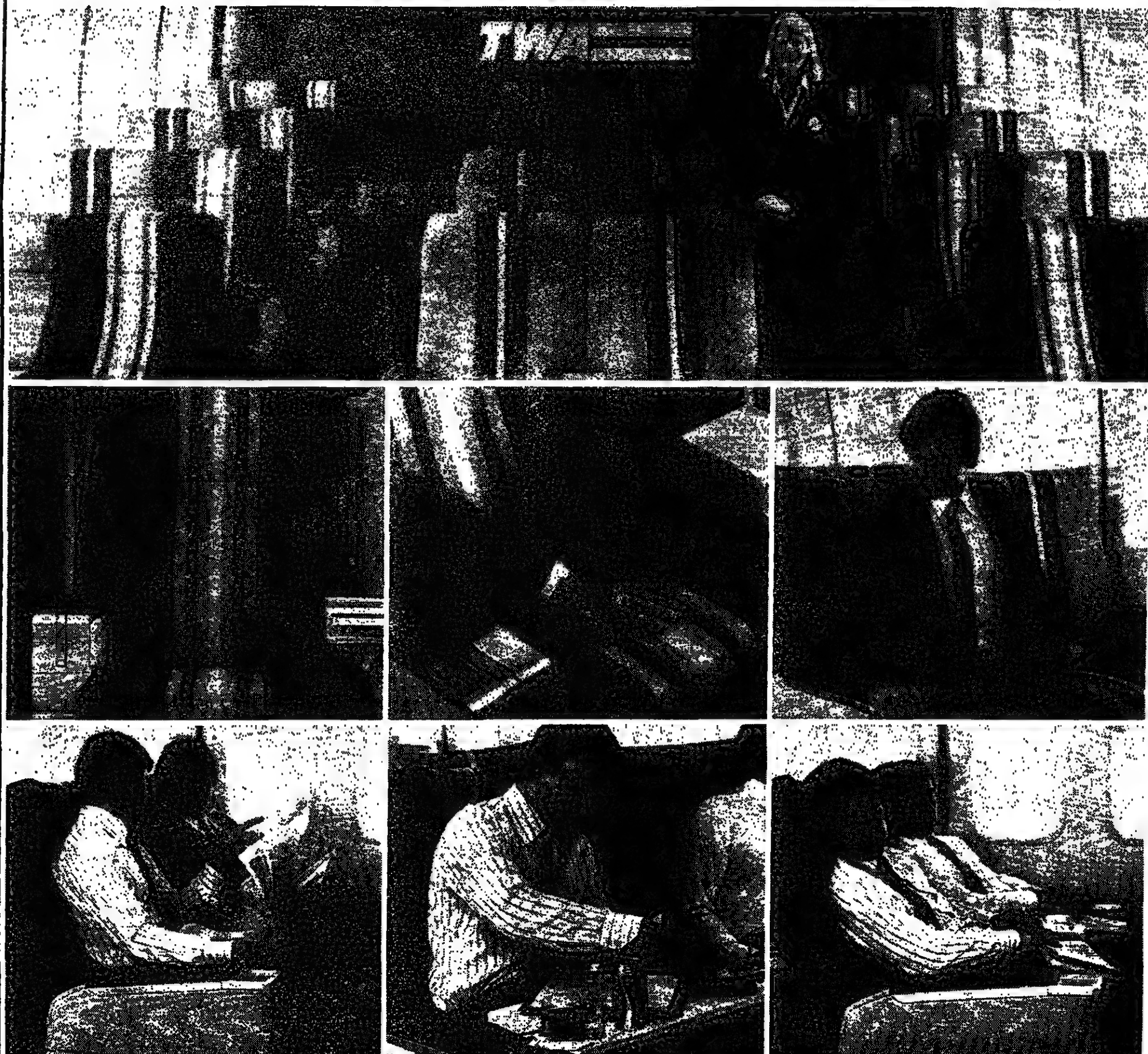
Nairobi (Reuters) - A second Kenyan airman, former Lieutenant Samson Obaru, facing a death sentence for alleged involvement in a coup attempt last year, has been set free by the High Court.

Last week Senior Private Madara Wango Bwaga also had his death sentence quashed. Several other airmen have lost appeals against convictions for treason.

Rebel threat

Bangkok (AP) - Rebels who kidnapped a French technician and his wife in south-eastern Burma on October 18 threatened to put them on "trial" unless France stopped all economic aid to Burma. A leader of the "Karen National Union", said the guerrilla group intended to kidnap nationals of other countries giving aid to Burma.

The unique business class to America.



TWA Ambassador Class. It's the only way to fly.

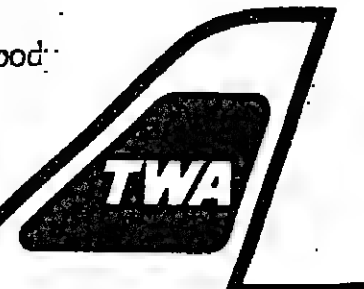
No other business class to America comes up to the standards set by TWA's Ambassador Class in their 747's. It's the business class with a unique style, unique roomy seats that recline the most, unique six across seating. It's the only business class with this amount of room to stretch out, this amount of room in the aisles. Does it make sense to fly to the USA in a business class that offers less?

To and through America.

We fly to over 50 cities throughout America. From TWA's US gateways you can connect with flights to most major US cities, TWA comfort and style all the way. See your TWA Main Agent. You'll find nobody offers what TWA's Ambassador Class offers the transatlantic business traveller.



You're going to like us



Tourists in trouble

Sailing holidays cut by Greek harbour police

From Mario Mediano, Athens

Dozens of British sailing fans run into troubled waters in Greece this week when their Aegean holidays coincided with a Greek Government campaign against foreign yacht flotillas operating under the Greek flag.

One flotilla of 12 small sailing yachts was detained in the island of Poros, south of Athens, and was fined £15,000 for sailing outside the mandatory six-mile limit for their class without due notification to the harbour authorities or the appropriate life-saving equipment.

The owners are Cruises and Marine Services Ltd. About 30 British holidaymakers who had chartered the yachts and sailed them from Lefkas island in the Ionian sea to Poros, were flown back home.

Another flotilla of 13 yachts of the same company, was arrested on similar grounds in Poros, in the Cyclades. They also were sailed from Lefkas by holidaymakers who, after this development were due to fly home today while the company's lawyer was trying to dissuade the Poros harbour master from imposing another huge fine.

The lawyer, Mr Haralambos

Maroudas, told *The Times* that all those whose cruises were cut short by the affair, would be fully reimbursed.

A third flotilla of 13 boats set out from the island of Euboea, with British crews, and was reported to have run into trouble in the area of the Dodecanese islands while trying to cross to Turkey.

Six other yachts owned by another charter company were detained in Rhodes until they acquire the safety equipment imposed by their classification certificate.

The Greek authorities decided to act after an advertisement appeared in the *Yachting Monthly* in Britain inviting "experienced sailors only" for a 15-day "Aegean adventure" offered by Yacht Cruising Association, a British company controlled by Mr Eric Richardson.

Mr Richardson is also general manager of Cruises and Marine Services, the Greek company which operates 62 yachts under the Greek flag. His competitors claim that most of these yachts were bought by individual Britons on export credits which are being repaid from the profits of the chartering business.

'War' over Portugal's exit tax

From Martha de la Cal, Lisbon

Hotel owners and tour operators have declared war on the Portuguese Government for imposing an exit tax of 1,000 escudos (£5.50) on all tourists leaving the country except those who came in by road and remain less than 72 hours.

At an emergency meeting on the Algarve coast yesterday, 60 members of the hotel owners association decided to refuse to turn over to the Government all tourism taxes collected in hotels and restaurants on the Algarve until a decision is made to abolish the exit tax which the hoteliers say will drive tourists away.

Senhor Cabrito Neto, president of the hotel owners association, said the exit tax was the only one in the world. "It doesn't even exist in the east block countries and under international tax laws no foreign citizen can be prohibited from leaving Portugal for not paying the tax," he said.

Senhor Cabrito Neto said that a delegation of British tour operators is expected in Portugal to contact the Portuguese Government.

The exit tax was introduced last week without warning, and has caused chaos at airports and frontier posts. Tourists who have spent all their escudos before departure are being forced to wait in long queues to change more currency.



Death and devastation: The Turkish village of Muratbagi where half the population of 950 died in Sunday's earthquake.

UK fails to get Turkish atom contract

From Rasit Gurdicek, Ankara

An unnamed British company has failed to win a contract to build a nuclear power plant in Turkey.

President Kenan Evren yesterday accepted tenders from

West Germany, America and Canada for the three power stations which will be started next year.

Laying the foundations for the Ataturk Dam, Turkey's

largest, General Evren said the plants would contribute to the elimination of energy problems over the next decade, and enable the country to cross the threshold of the nuclear age.

Manila bars Australian journalist

From David Watts, Singapore

President Marcos's increasingly beleaguered regime in the Philippines has made its first move against the foreign press with the banning of an Australian correspondent.

The ban on Mr Michael Richardson of *The Age*, who is based in Singapore, is the first since the opposition to the President boiled over after the assassination of Benigno Aquino. The Government has been at war with the more independent of the domestic press in Manila, but this is the first time that a move has been made against the foreign press.

The ban, on the advice of military intelligence, is because of what the Government called "consistently biased" reporting about the Philippines.

Since the start of the unrest the Government has been railing against the Western press for its coverage but its anger has been directed mainly against American publications.

Mr Richardson, one of the most experienced and respected correspondents in South-East Asia, makes an odd choice of target. He has been writing about the Philippines for 11 years.

Hope for 11th hour agreement in Geneva

From Richard Owen, Moscow

A Kremlin adviser said yesterday that there was still hope for an 11th-hour agreement at the Geneva talks on medium range missiles, provided the West used President Andropov's latest proposals as a basis.

Mr Lev Semelko, a leading expert on the East-West relations at the USSR Institute, said Mr Andropov had put forward his proposals in *Pravda* on October 27 "at a moment when it is not too late for the other side to discuss them constructively and even - if it really wants disarmament - to accept them as a basis for agreement".

Mr Semelko's remarks were in contrast to the self-perpetuating gloom which seems to have seized Soviet officials over the impasse at Geneva. In his *Pravda* interview Mr Andropov offered to reduce Soviet SS20s in Europe to 140, an advance on previous Soviet proposals, but said that the deployment of cruise and Pershing 2 in December would make continuation of the present talks impossible.

Diplomats note that although the Russians have not yet walked out at Geneva, practical preparations for the imminent arrival of new Nato missiles are already under way, with no sign of an agreement.

It is thought that Mr Andropov may make a "final offer" aimed at the crucial missile debate in the West German Bundestag in just over two weeks' time, and that Kremlin speeches tomorrow marking the anniversary of the Bolshevik Revolution could give a clue to Soviet intentions.

Mr Semelko, writing in *Sovetskaya Rossiya*, rejected the suggestion put forward by West German Greens in Moscow last week that Russia should refrain from responding to Nato deployments, thus putting an end to the arms spiral. He said such one-sided restraint would put Soviet and European security at greater risk.

● TOKYO: Chancellor Helmut Kohl of West Germany, said here yesterday that Nato will be willing to continue negotiations with Russia over the reduction of intermediate-range nuclear forces even if current talks fail to produce results before November 15 (Richard Hanson writes).

He assured Japan that the West would not seek any settlement at the expense of security in East Asia.

Basques give warning on anti-terror moves

From Richard Wigg, Madrid

"Exceptional measures" against terrorism announced yesterday by Señor Felipe Gonzalez, the Spanish Prime Minister, led to immediate warnings from Basque politicians of the risks involved.

Emphasizing that a battle was under way for the allegiance of the entire Basque people, Señor Morcos Vizcaya, spokesman of the Basque Nationalist Party in the autonomous Basque region, told Señor Gonzalez he was making a fundamental error in underestimating the value of political solutions to the Basque problem. Another Basque MP forecast that the measures would be counter-productive.

Señor Gonzalez's Socialist Government feels under pressure from the armed forces, following the murder by ETA, the Basque terrorist organiza-

tion, of an army captain on October 19, to act more energetically against terrorism. As the debate in Parliament ended in which he announced the new measures, Señor Gonzalez was applauded by the right-wing opposition as well as by his own Socialist Party.

Under a special Bill consolidating all anti-terrorism provisions for a limited period, exceptional punishment will be meted out to those guilty of terrorist offences. The Prime Minister said the Government would under no circumstances negotiate with terrorists.

The Government will have powers to ban the extreme left-wing nationalist Popular Unity coalition in the Basque region if it wishes. People seeking to justify terrorism in the media will also face heavy punishment.

US eases sanctions on Poland

From Mohsin Ali, Washington

The United States has taken steps to ease some of the sanctions it imposed after the December, 1981, declaration of martial law in Poland, in the hope of inducing the Government to seek national reconciliation and restore free trade unions.

But the main US economic sanctions will continue until the Government takes "definitive action" to restore the human rights of the Polish people.

The White House announced on Wednesday that Washington had agreed with its Western allies to discuss rescheduling the 1981 Polish debt to Western governments. The unrescheduled debt to official creditors is about \$65m (£43m). The amount of moratorium interest owed is about \$400m. In addition there would be Penalty interest.

The total Polish debt to the West is \$25 billion. Of this Western governments are owed \$17 billion. Poland owes the US Government about \$2 billion and US commercial banks about \$1.1 billion.

The 1981 debt rescheduling talks will be between Poland and the so-called "Paris club" of 15 Western creditor countries.

Economy is Kaunda's top priority

Lusaka (Reuters) - President Kaunda of Zambia, fresh from an emphatic election victory, yesterday named a new Cabinet which he said should make national economic recovery its main objective.

The President told Zambian officials, foreign diplomats and journalists at a State House press conference that recovery could come only through economic restructuring.

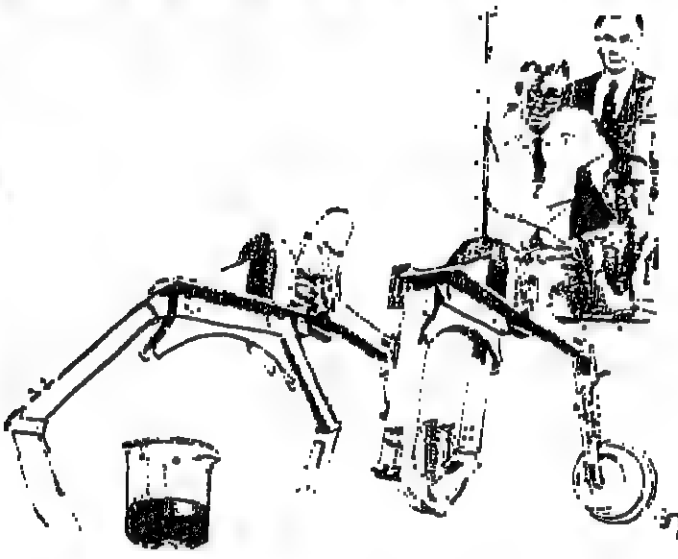
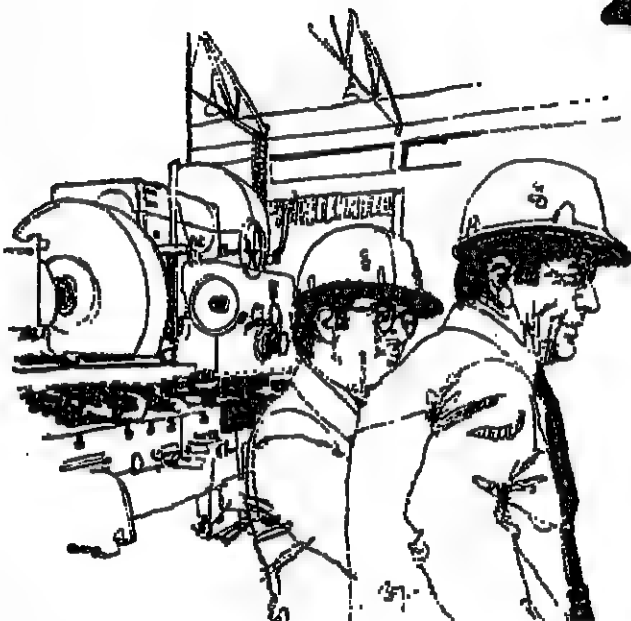
Fifteen ministers from the outgoing Cabinet retained their posts, while four moved to different positions and newcomers were brought in to handle four other portfolios.

The Prime Minister, Defence Secretary, Home Affairs and Agriculture ministers were among those unchanged, but a new man, Mr Luke Mwanashiku, was appointed to the Finance Ministry.

Mr Mwanashiku, a respected technocrat who held the portfolio in the mid-1970s and is a former Central Bank governor, takes over finance from the Prime Minister, Mr Nalunio Munda, who had run the ministry since the beginning of the year.

The portfolio has special importance since Zambia is heavily in debt as a consequence of its over-dependence for foreign earnings on the struggling copper mining industry.

Money from the Midland.



LOANS:

From 1-20 years, divided into short, medium or long term periods. Generally, the longer the working life of the asset, the longer the loan period.

EQUIPMENT FINANCE:

Equipment finance is possible through Leasing and Lease Purchase, depending on your tax position.

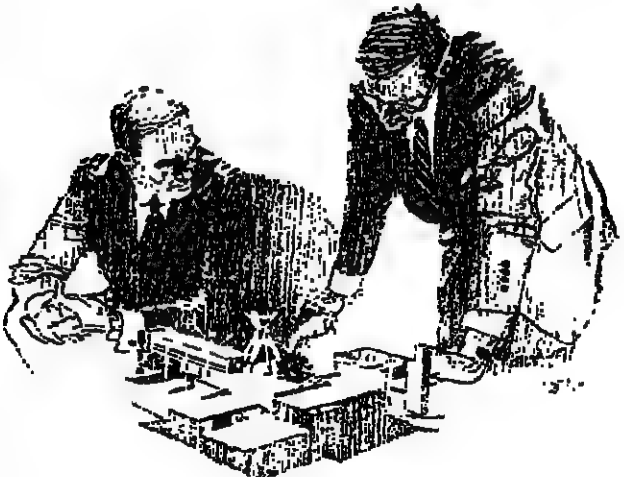
With Lease Purchase, you claim available tax allowances directly.

With Leasing, you can make use of any allowances in the form of reduced rentals.

Either way, you can acquire equipment without draining your capital resources.

OVERDRAFTS:

Still the best known and most flexible method of smoothing out cash flow.



EQUITY FINANCE:

Here we can provide capital for expansion, for management buy-outs or for start ups, by subscribing for new shares.

We can also release personal capital for shareholders by purchasing existing shares.

The amounts involved can be as little as £5,000 or as large as £2,000,000.

In all cases we take only a minority stake so that control will remain with you - the existing owner of the company.

FACTORING:

Helps to bridge the gap between selling your goods and collecting your money by converting trade credit into cash.

Factoring also takes over the problems of sales ledger administration and credit control and even provides you with protection against bad debts.

COME AND TALK:

The Midland is always ready to back a sound business idea with the right kind of finance.

Some of the different ways in which a business customer can raise money through the Midland or Midland Group are shown on this page.

What's more we have a full range of modern payment services which offer greater efficiency both in the UK and internationally.

So come and talk to us. Your branch manager will be pleased to listen to you.

For further information on Midland Bank services for the businessman, see Prospect page 20/206.



Midland The Listening Bank

Midland Bank plc

مَكْزَا مِنْ الْأَصْلِ

Brazil's Congress flexes its muscles as tension grows over wages cut

From Patrick Knight, Sao Paulo

Tension between Brazil's military-led Government and a Congress greatly strengthened by last November's election has been growing in intensity as the country's economic crisis deepens.

Things have come to a head in the past weeks with the declaration of emergency measures in the capital after reluctance by Congress to pass a Bill which the Government believes is essential if the country is to reach agreement with its creditors and the International Monetary Fund.

Had it not become apparent a few years ago that Brazil was in for tough economic times, the regime would almost certainly not have moved as far as it has along the road to full democracy.

The relatively free elections in 1982 were partly forced on authoritarian administrations, which had earlier managed to neutralize political dissatisfaction by achieving fast economic growth.

But although the congressional opposition has gained much ground, the executive is still largely composed of people who were in command 10 years ago, many of whom are finding it difficult to adjust.

The new situation is also demanding an unwanted discipline from Congress. After almost two decades of virtual irrelevance, when Congress could be as irresponsible as it liked, deputies suddenly find themselves able to veto vital legislation, and the temptation to act as before is proving difficult to resist.

One example a month ago was the Government's first Indian deputy, Xavante Chief Mario Juruna, who referred to the President, all his ministers and the armed forces as "corrupt".

Rather than taking a relaxed view of this, the Government's initial response was to seek the severest penalty available, that of his expulsion from Congress, regardless of the effect this would have had on home and international opinion. Wiser counsels eventually prevailed, and an apology was accepted instead.

More recently, when the Government was frustrated in its endeavours to get the controversial Bill cutting wages through Congress, emergency measures were invoked, which have ended all lobbying and isolated Congress. Frightened by these measures, but placated by concessions made later in the

Bill, Congress now seems certain to pass the compromise formula.

With its new lease of life, Congress has set up various committees of inquiry, including one into the country's foreign debt. Evidence has been heard that some ministers benefited unduly as the debt grew, and this has caused disquiet. Some generals have certainly done well in recent years, and large numbers of retired soldiers have positions of responsibility in state and other enterprises.

Earlier this year, an Amazonian logging company set up by a military pension fund, collapsed spectacularly and amongst those to have benefited, by being given exclusive rights to dispose of timber in Minas Gerais and Rio de Janeiro states, was a firm employing one of President Figueredo's sons, although the firm, Metalquímica, had no previous experience of timber distribution.

However, probably a majority of the armed forces would now prefer to devote all their energies to professional duties, a feeling which has been strengthened by the implications for Brazil of the Falklands war.



Aboriginal violence: The scene in the Sydney suburb of Redfern after some 350 Aboriginals clashed with police whom they accused of using unnecessary force in dealing with a domestic incident outside a public house. Aboriginal leaders have called for a Federal inquiry into the incident, in which 23 people, including three policemen, were hurt.

Scientology a religion, court rules

From Tony Dubondin, Melbourne

The High Court of Australia has ruled that Scientology is a religion and that a belief in God is not an essential qualification for an organization to be classified as a religion.

The decision was handed down by the court in Perth on Wednesday and overruled a decision by the full Victorian Supreme Court, which had upheld an earlier decision by a judge sitting alone that a belief in God was essential and that Scientology did not qualify as a religion.

The issue was fought over payroll tax exemption. Scientology claimed to be entitled to it as a religion. Religions in Australia can claim some tax exemptions and the ruling by the High Court raises the possibility of Scientology and a number of other fringe religious organizations claiming from various state and federal taxes.

Chile resists US pressure

From Florencia Varas, Santiago

The Chilean Foreign Minister yesterday criticized the United States over its efforts to have talks resumed between Chile's Government and opposition Democratic Alliance.

Señor Miguel Schweitzer declared that recent statements by the US State Department on the breakdown in the talks were "excessive" and that such affairs were internal matters having no relation to the United States.

Formal contacts between the Government and the Alliance were suspended by the Alliance in the middle of last month.

after the Government rejected its demand that President Pinochet's term in office be shortened.

According to the 1980 Constitution, the President is not obliged to seek reelection until 1989.

The Alliance had called for the President's resignation, the installation of a transitional government and elections within 18 months.

Mr Edward Derwinski, the State Department adviser on Latin American affairs, has been in Santiago since Wednesday interviewing members of

the Government, including Señor Sergio Onofre Jarpa, the Interior Minister, and General Fernando Matthei, commander-in-chief of the Air Force.

The White House had earlier issued a statement deploring the fact that the talks had not been resumed.

Mr John Hughes, a State Department spokesman, said: "The absence of a dialogue or interchange of points of view over the transition to democracy causes concern (for the US) because this situation can only favour those who oppose a civilian government in Chile."

Chinese jail man who persecuted Liu

From David Bonavia, Peking

Mr Qi Benyu, a former left-wing agitator who organized the persecution of the late President Liu Shaoqi and his wife, has been sentenced to 18 years imprisonment for "counter-revolutionary acts".

Four other extreme left-wingers of the Cultural Revolution period in the late 1960s

have also received prison terms.

In 1967 Mr Qi was ordered by the so-called Gang of Four including Mrs Jiang Qing, widow of Mao Tse-tung, to hold a humiliating "mass struggle and criticism meeting" against President and Mrs Liu, who were denounced as "revisionists".

Mr Liu died in 1969, allegedly from lack of medical care, but his widow has been rehabilitated and holds public office.

The sentences are the latest in a series of prosecutions of former left-wingers in advance of the purge due to be held in the Chinese Communist Party over the next three years.

China drops deadline for deal on Hongkong

From Richard Hughes, Hongkong

China is now willing to continue the Sino-British talks on Hongkong's future even if an agreement has not been reached by next September, Hongkong leaders believe.

China has previously insisted that it would make "a unilateral declaration" on the future of the territory if there had been no agreement by September, 1984. But, after two days, there has been no amendments by Peking of the statement on Tuesday by Mr Qian Qichen, the Deputy Foreign Minister, in a press interview, that the negotiations would continue until a solution has been reached, even if both sides had not reached an agreement by September.

Mr Qichen's surprise concession was in conflict with the announcement in Peking in June that Mr Deng Xiaoping, the Chinese leader, had set a deadline of two years for conclusion of the talks after Mrs Margaret Thatcher's visit to Peking in September last year.

On October 1 Mr Ji Pengfei, the head of the Hongkong and Macao Affairs Office, repeated Mr Deng's warning at a reception celebrating China's national day.

Welcoming the sudden and unexpected change in Peking policy, Hongkong Government authorities, China-watchers and political analysts agreed that both Britain and China were adopting a more realistic attitude towards the talks and would patiently solve all the technical details involved.

"It is now clear that China has realized that it would be too inflexible if the talks were conducted under the pressure of a deadline," Mr Chan King-cheung, spokesman for the new Hongkong Society, said.

Mr Sze Chuan, Vice-Chairman of the Hongkong Belongers' Association, said: "The setting of a deadline was only a strategy to pressure the British to get down to details."

"It was apparent that there was a breakthrough in the latest round of talks in Peking, and China felt that this was the right time to soften its stand and not to insist on a deadline."

THE CAR WITH THE HEATED DRIVER'S SEAT SITS COMFORTABLY AT THE BOTTOM.

Audi 100CC	£8894
Rover 2300	£8697
BMW 518	£8455
Ford Granada 2.3L	£8362
Volvo 240 DL Saloon	£7720

You don't have to be in the tax exile bracket to afford the 1984 Volvo 240 DL Saloon. Comfortable will do.

As you'll be, when you're behind the wheel.

The Volvo driver's seat is orthopaedically designed, and contains an adjustable lumbar support plate.

This makes it soft and comfortable, yet firm enough to provide the support you need on a long journey.

A built-in heating element switches itself on when the temperature drops below 14°C, making chilly morning starts a degree or two more pleasant.

You'll also appreciate the sensible layout of the controls and instrument panel (no stretching or craning).

As well as the 14 air outlets, with which you can direct hot or cold air wherever you need it. And the central locking with which you can lock the other doors without ricking your back.

Comforting though these details are, however, they're only part of the story. Our aim is to create an environment in which you're completely comfortable and relaxed.

We've added a fifth gear, which greatly reduces engine speed when cruising.

Engine stress and noise are reduced, and so is the stress on you.

And the car's power steering makes getting in and out of tight spaces less of a wrench.

In fact, the car has been designed to handle predictably and smoothly in every situation. Thanks to the dual-circuit triangular-split braking system, the anti-roll bars and the well-balanced suspension.

Our thinking behind all this is fundamentally sound.

Since there's nothing uncomfortable or awkward to distract you, your attention will stay where it ought to be. On the road.

VOLVO

SPECTRUM

Watch this space

David Hockney's London studio is tucked out of sight behind a mass of trees and shrubs. Its small, anonymous entrance opens on to a cavernous white space with a steeply pitched roof. The light within this space is clear and constant.

At one end of the studio is a gallery. Beneath this gallery and to one side the walls are crowded with books. Furnishings are sparse; a long leather sofa addresses an equally long glass-topped coffee table. On its translucent surface a small toy parrot is dressed in a lively of flaring colour. On the bare floorboards a green wicker chair stands like a lush oasis.

Against one wall are three canvases in various stages of completion. The top canvas is splashed with vivid patches of colour and is witness to Hockney's current obsession with cubism. Opposite is a bulky plan-chest. On top of this chest are sheets of coarse-grained paper. There is throughout the studio a feeling of controlled disorder. The only evidence of Hockney's preoccupation with photography is a poster from his recent Paris exhibition pinned to the wall to the right of the canvases.

Hockney, the eccentric peacock figure, was absent. In his place was a blond, mop-haired, middle-aged man of mild disposition. There were no garish clothes and no multi-coloured socks and Fair Isle sweater.

He was dressed for work: blue and white striped shirt, fawn-coloured rain-splashed trousers and Dunlop training shoes without socks. Around one wrist he wore a watch with a yellow strap.

Hockney has used a camera for at least 20 years. In that time he has taken more than 30,000 photographs. These photographs are pasted into 100 albums. The collection forms a visual diary of his friends and family and a travelogue of a life spent criss-crossing the globe with a few close friends who are occasionally glimpsed in a succession of hotel rooms. It is an easy way of reducing the world to image and colour. It is, said Hockney, a form of sketching and a convenient way of storing information.

Hockney believes that photography has not been able to develop from its traditional way of seeing because it has never experienced a shock of an equivalent nature to the shock cubism inflicted on painting. The very immediacy of the medium has robbed traditional photography of its ability to convey time. It is Hockney's attempts to explore this fundamental problem of time that has given rise to his huge, audacious photographs which cover large expanses of wall like modern frescoes.

"In painting by an artist such as Canaletto there is a feeling of layered

David Hockney, is aiming to inflict the same shock on photography that cubism delivered to painting. Michael Young reports.



Museum of Photography in Bradford, Hockney experimented with a large-format Polaroid camera. "I took some pictures of my mother with this large camera but they didn't really seem to convey anything about her. They captured her only as she looked for one moment. When I see my mother and talk to her I don't see her frozen into one moment but as a multiple fluid entity. It is precisely this feeling that I am trying to convey in the joined photographs. I want to develop a technique that denies the individual moment," he said.

Suddenly he was anxious to show me some recent drawings. We crossed the studio to the plan-chest. From a folio he pulled a number of sheets of paper, each elegantly inscribed with the features of his favourite model, his mother. In each of the drawings the

Hockney's photographs disturb and even outrage many professionals

elderly woman is seen with three arms and hands. These additions are not, Hockney was at pains to point out, penitence, but were a deliberate attempt to encode the fluid experience of being there with his mother.

It is photography that has led him to this new way of seeing. What he has learnt from the camera he hopes to feed back into his paintings. And he emphasizes that cubist photographs need not look the same as cubist paintings, adding that he no longer knows what people mean when they say something is merely photographic. "Photography is the dominant way people see the world," he said. "After photography and the world becomes different."

His most successful photograph to date was taken in the Zen Garden in Kyoto in Japan. Here Hockney chose not to view the raked grey stones from one single viewpoint but instead walked the length of the garden, stopping every few feet to swing his camera vertically through 180°.

Progress from left to right is further measured by a strip of photographs almost detached from the whole and which run along the bottom edge of the composition. In this detached strip Hockney looks down at his own feet clad in red and black socks. The socks are repeatedly seen as though they were variable points from which all else in the picture are measured. With this photograph Hockney believes he has finally removed the window effect of traditional photography.

Hockney's photographs disturb and even outrage many professional photographers. David Bailey recently expressed his view to me on Hockney. "It is nothing but rubbish," Bailey said, "unoriginal and executed without any real understanding of what's going on." For his part, Hockney believes that such hostility comes from the simple fact that his photographs extend the limits of existing photographic formulas.

After Hockney's exhibition in Paris last year, Cartier-Bresson wrote to him to say how wonderful he thought the photographs were. Receiving that letter was for Hockney one of the high points of his photographic career.

moreover... Miles Kington

An arsonist for an ancestor

Most of us know we will celebrate November 5. In my case I shall enjoy the fireworks, enjoy the bonfire, enjoy consuming amounts of red wine and then say: "Of course, it's all for the children's sake, really." But what if you were a descendant of Guy Fawkes himself? How would you feel as you saw your ancestor being committed to the flames each year?

We asked a selection of Fawkeses to give us their reactions to the great day. Thanks to all of them for their cooperation. Oswald Fawkes: "Guy was a sort of uncle way back on my father's side, and we've always been quite proud of him. I mean, today he'd be a sort of folk hero and always on the cover of *Time Out* or *City Limits*. So I've never been able to burn him in effigy. So what we do is burn Charles I in effigy instead. I've never much liked the Scots anyway. No, I haven't brought my children up as Catholics, though I've always encouraged them to be arsonists. The only embarrassing thing as far as they are concerned is going out collecting money for fireworks and shouting 'Penny for the King!'."

Sophie Fawkes: "I'm totally against violence in any form. I don't believe in burning a guy or blowing up the Houses of Parliament. But it would be unfair to deprive the children of a bit of fun on November 5, so we have a bonfire and throw some incense on it, then send the money we would have spent on fireworks to charity. I let the children have one sparkler each, though I have taught them to call them 'peace wands'. They really seem to enjoy it."

Ronald Vaux: "I always got such a lot of stick at school through being called Fawkes that I changed my name. When they weren't calling me Guy, they called me Knute 'n' Knute 'n' Fawkes, you see. Then one year they actually tried to put me on a bonfire. It was that day I decided to change my name. Trouble is, I didn't know that Vaux is really pronounced Vo, so now I get a whole new set of jokes. Vaux there! and Vaux get du den? and Vaux is me. But I haven't the energy to change my name again."

Wally Fawkes: "No, I'm not the famous cartoonist who also plays jazz clarinet. I wish I were. But I am rung up a lot with requests to do drawings or play with bands, and as I am an amateur in both fields I get a lot of jobs I wouldn't get otherwise. I suppose I should be thankful, except that I also get a lot of his tax demands. I'd like to have fireworks on November 5, but this year I'm playing in a pub in the East End with a group that thinks I'm the other Wally Fawkes."

Kate Fawkes: "My job is dealing in period clothes, so of course I'm totally against the custom of burning the guy. You've no idea how many valuable 1950s garments are sent up in flames every Guy Fawkes Day. Generally I turn the area on November 5 looking for guys and taking off any historic jackets, trousers or greatcoats which have been put on them. It's the best day of the year for business, really."

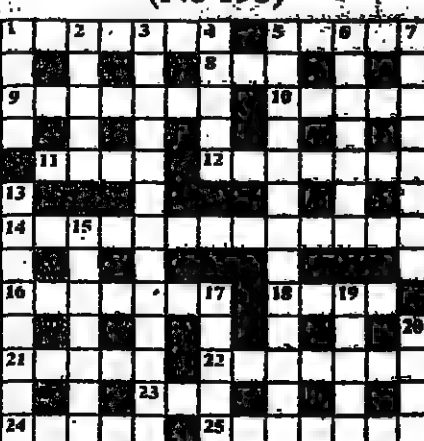
Winston Fawkes: "Being 'from the West Indies, people generally assume I'm no relation of the famous Guy Fawkes. But who's telling whether he's black or white? Me. I think he was probably black. Old Guy was certainly on the front line, burning and looting there. Could well be I was a cousin of his. I'll drink a toast to him."

Helke: "There must be some mistake. I am Helke, the artist. Would you please get off the line? If you are thinking of Wally Fawkes, the other artist, I can give you his number."

Wally Fawkes: "Hello, Wally Fawkes is not in at the moment, but if you want to leave a message, please speak after the tone. On the other hand, if it's the annual ringing round by journalists of people called Fawkes for November 5, please do not leave a message. Ring my name: Wally Fawkes who keeps getting my jobs."

Wally Fawkes: "Hello! Yes, I am free for any drawing job or gig on Glastonbury, you are to mention. Oh, it's you again, No, I have no particular thoughts on Guy Fawkes Day."

CONCISE CROSSWORD (No 193)



- ACROSS: 1 Immunization discoverer (7) 2 Fine net (5) 3 Distinctive bearing (3) 4 Amount lacking (7) 5 Cervical disease (5) 6 Secular (4) 7 Quarrel (7) 8 Nov 5 conspiracy (9,4) 9 Proper beer (4,3) 10 Extended voyage (4) 11 11th Cent Spanish hero (2,3) 12 Booming (7) 13 Independent (3) 14 Crowd actor (5) 15 Do (7)
- DOWN: 1 Waterlily leaves (4) 2 Muslim divinity student (5) 3 Comprehensive volume (13) 4 Thought highly of (5) 5 Discovered horse (1,3) 6 Quarrel (7) 7 Mild deception (3,4) 8 Supplication (8) 9 Afflict (8) 10 Tidy incision (4,3) 11 Wear down (5) 12 Frequent (5) 13 Trivial (4)

SOLUTION TO No 192: 1 Hiccup 2 Chanoy 3 You 4 Kaiser 5 Biceps 11 Zola 12 Meditate 14 Guided missile 17 Megawatt 19 Mash 21 Curry 23 Utrine 24 Sed 25 Behave

DOWN: 1 Image 2 Casandra 4 Pyramid 5 Cabel 6 AID 7 Capital 13 Test match 15 Unequal 16 Intrude 18 Abyss 20 Saudi 22 Top

Early this year Spectrum reported on hypoglycaemia and its alleged links with delinquency. Vincent Marks replies

How sugar starvation became a fashion

Hypoglycaemia means low blood sugar; nothing more, nothing less. To some fringe practitioners, however, this newly fashionable condition means big business, providing them with an opportunity to exploit unfortunate and almost invariably private, patients with various vague symptoms.

In order to understand how this bizarre state of affairs came about, to such an extent that it has reached epidemic proportions in the United States and eastern Australia, requires a medium of biological knowledge and the willingness to recognize the outrageousness of claims to special intelligence made by quasi-scientific practitioners and their acolytes.

Sugar - or more especially glucose - is an essential constituent of the body, which never normally contains more than 20g even after a meal with high sugar content. Glucose gets into the blood either from the food we eat or, during fasting and between meals, from the liver, where it is stored as glycogen. Most foods, except fats such as butter, margarine and animal fat, can be, and indeed are, turned into glucose in the body. In the case of complex carbohydrates such as starch, glycogen, milk (lactose) and table sugar (sucrose) this occurs in the gut before absorption. In the case of proteins it occurs exclusively in the liver and occurs only when there is no carbohydrate left in the gut to be absorbed.

Glucose is used by the brain to supply energy to keep it alive and working properly. It is also used by other tissues, such as the muscles but they, unlike the brain, can use fats of which there is always a plentiful supply in the blood equally well for this purpose, which explains why symptoms of hypoglycaemia always relate, in some way, to brain malfunction.

The amount of glucose in the blood is delicately controlled throughout the day and night by insulin. Made by the B-cells of the pancreas, insulin is released into the blood stream during and after eating and reduces the rise in blood sugar that would otherwise occur. It does this by increasing the rate of glucose entry into the liver and muscles where it is stored as glycogen. Between meals glucose absorption decreases as does the amount of insulin produced, with the result that glucose entry into the muscles ceases and they switch to using fat from the blood or their own stores of glycogen as fuel. The brain, however, continues to extract glucose from the blood at a rate matched by its entry into the blood from the liver, which is the only organ capable of making glucose in the body between meals.

People with diabetes cannot produce enough insulin to dispose of glucose as fast as it is absorbed; its concentration in the blood rises until it spills into the urine. Unchecked, this causes a rapid deterioration in health. The discovery of insulin by Sir Frederick Banting and Charles Best and its introduction for the treatment of diabetes in 1922 was soon followed by recognition of the consequences of inadvertent over-treatment of hypoglycaemia.

Depending on how low and how rapidly the blood glucose level falls, patients can experience an enormous array of symptoms from barely perceptible to coma. They only occur, however, when the level of glucose in the blood is measurably low and they can always be relieved by eating or drinking something containing sugar.

Soon after the description of insulin-induced hypoglycaemia it was suggested that patients might sometimes experience symptoms due to hypoglycaemia even when they had not been treated with insulin. This was confirmed by

measuring the concentration of glucose in the blood of such patients and showing that it was invariably low whilst they felt ill but completely normal at all other times. As more and more experience of "spontaneous" hypoglycaemia was gained it was realized that it had many causes - now numbering over 100 - all rare. In a minuscule number, about one in a million, the cause was over production of insulin by a tumour in the pancreas.

The symptoms of "spontaneous hypoglycaemia", like those of the insulin-induced variety, are always intermittent and last from a few minutes to about an hour. They are always relieved by taking sugar by mouth (or glucose by intravenous injection). It must always be remembered that the symptoms of hypoglycaemia are extremely non-specific; the only thing that distinguishes them from those caused by a host of other conditions such as anxiety, neurosis, panic or fainting attacks is their relief by sugar (and nothing else) and their occurrence only when the concentration of glucose in the blood is demonstrably low.

These facts - and many others about hypoglycaemia - have been known for over 20 years but have generally been ignored by practising what Frederick Wolfe in 1967 called "hypoglycaemia quackery" based on half-truths, scientific ignorance and sometimes deliberate distortion of the facts. How did such a situation arise?

At the time Banting and Best were discovering insulin, other investigators were developing micro-methods for measuring glucose in blood. These enabled measurements to be made at frequent intervals in healthy volunteers, as well as in patients with diabetes, before and after they had drunk a sugary drink. They showed that after drinking a large amount, i.e. 100g of glucose

dissolved in 250ml of water, the blood glucose concentration rose by only a modest amount in healthy subjects in contrast to the massive rise observed in patients with diabetes, and returned to the fasting level within two to three hours. This procedure was then dignified by calling it a "glucose tolerance test", and though greatly over used and abused it served for many years as a diagnostic test for mild diabetes.

The pioneers of the technique recognized that if blood sampling from healthy subjects was continued beyond the normal duration of the test, the concentration of glucose almost invariably fell to well below the fasting level before returning to starting point. Thus rebound (or reactive) hypoglycaemia is often sufficiently low, even in perfectly healthy subjects, to be associated with mild symptoms such as palpitations and lightheadedness. Unfortunately, the observations of the original authors, which have been confirmed many times since, were like too many important discoveries in medicine, largely ignored.

During the first 30 years or so following the description of "spontaneous hypoglycaemia" confusion reigned as to its possible causes, since each required its own specific treatment. Order was brought out of chaos largely as a result of work by Dr Jerome Conn, Ann Arbor, Michigan. Unfortunately Dr Conn subscribed to - and hence indirectly perpetuated - one of the myths that had gradually grown up in the United States that many patients with a variety of vague symptoms who sought medical help might be suffering from functional (reactive) hypoglycaemia. Ingestion of a large (100g) dose of glucose by these patients was indeed followed some three and a half to four and a half hours later by the appearance of a low concentration and symptoms, as it

would have been by healthy subjects, had anyone thought to test them.

Some 20 years ago when Dr F. Clifford Rose and I first published our book on Hypoglycaemia, we were extremely sceptical of functional (reactive) hypoglycaemia as anything other than a rarity, mainly because we saw so little of it in Britain (despite looking for it), in contrast to the United States where it was said by some authors - though apart from Conn - to be more common than diabetes.

The opportunity to charge patients exorbitant fees for carrying out repeated glucose tolerance tests and then, regardless of the analytical results, to sell them worthless nostrums and proffer ill-informed dietary advice has been too great for the charlatans to resist. Very few, if any, of the patients in the United States diagnosed as having functional or reactive hypoglycaemia suffer from it (in every day life that is); while others have genuine illnesses such as anxiety states, neurosis, depression, schizophrenia and alcoholism that are overlooked or missed.

Even more worrying is that people more remote from scientific medicine than those referred to in the joint statement have jumped on the bandwagon. Some have merely exploited the situation by writing about "hypoglycaemia" in mass circulation publications in exaggerated and misleading terms. Others have started attributing miscreant behaviour, delinquency and criminality to functional hypoglycaemia without a shred of evidence except selective - sometimes deliberately distorted - quotations from scientific literature and unsubstantiated, uncontrolled "experiments".

Vincent Marks is Professor of Clinical Biochemistry at the University of Surrey.

Win 500 prizes to be won

Please send me a copy of the rules and conditions of entry for the Reporting Award.

Sent to The Reporting Award Service, c/o The National Education Service, 100 Victoria Road, London SW15 2NU.

Name: _____ Please print

Address: _____

Occupation: _____

93

FRIDAY PAGE

Performing a simple miracle

This week the Government announced its plan to provide £650,000 over the next 18 months for bone marrow transplants.

Rachel Cullen has been finding out the problems involved in bone marrow surgery — and why surgeons are so optimistic

Bone-marrow transplants only become news when a donor jets across the Atlantic or a dramatic mission of mercy. These events are certainly exciting, but the publicity they attract tends to obscure the new British developments in this field. Cure rates are climbing, the quality of life for patients undergoing treatment — often young children — has improved greatly, and the range of illnesses for which bone-marrow transplant may save lives has expanded.

There are some fearsome problems to overcome, both before and after transplantation, but the actual procedure of collecting marrow from one person and giving it to another is, compared with other transplant surgery, astonishingly simple.

Using a hollow needle the doctor makes several incisions into the donor's hip (the bones of the pelvis); the donor is given a general anaesthetic for this, since the process of sucking out the marrow disturbs nerve endings inside the marrow cavity and would, in a conscious donor, cause an intense, sick pain.

About a pint of fluid is usually withdrawn; from a third to a half of this is marrow, which is separated from the blood which makes up the rest of the fluid. This marrow is then dripped slowly into the blood stream of the recipient and finds its own way to where it can grow and expand to replace the patient's own marrow.

The only risks to the health of the donor come from being anaesthetized, which is always slightly hazardous, and from being turned over while unconscious so that the pelvis can be probed in different places — one donor has slipped a disc. The donor's body makes up the lost marrow in a startling two days — one woman has given marrow on six occasions with no ill effects.

The critical components of bone marrow which enable a graft to cure such a variety of diseases are the stem cells, which comprise only some 5 to 10 per cent of the marrow. They are replaceable, at least in children and probably in adults too, of differentiating into all the other essential constituents of bone marrow: red blood cells which carry

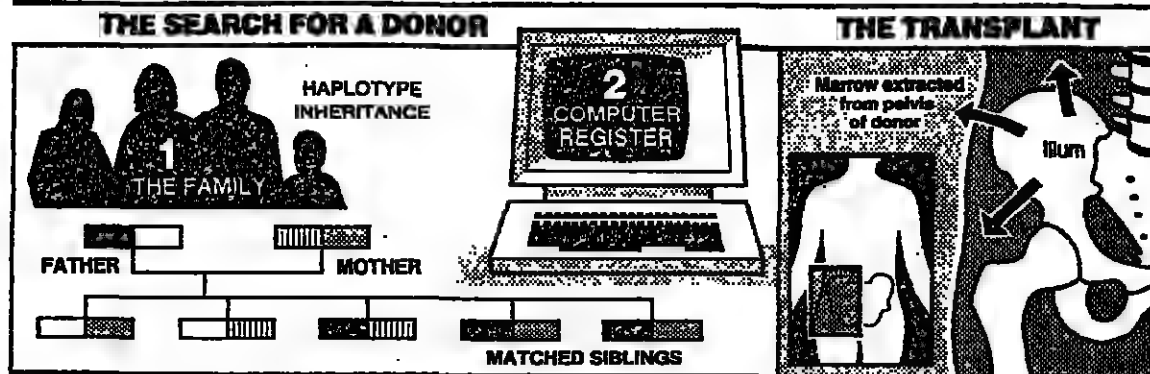
oxygen from the lungs to the tissues, white blood cells which fight infection and platelets which form plugs to arrest bleeding from wounds. Experiments with mice have shown that stem cells can flourish for nine lifetimes of their host, so once they are safely transplanted they act as a factory of healthy blood cells for many years.

Immunologically, the younger the donor the better it is. A baby's bone marrow is full of these vital stem cells, and in a very young child the cells have not been subtly altered by random mutations and the need to fight off repeated infections as have those of an adult.

The bone-marrow transplant team at the Westminster Hospital, a world leader in its speciality, has successfully used a baby aged four months as a donor. The quantity of marrow obtained was minute, but crammed with stem cells; the graft was one of the easiest undertaken by the Westminster team, and both donor and recipient are thriving.

Of the difficulties facing doctors involved in bone-marrow transplantation, the best known is that of finding a suitable donor. Blood transfusion entails matching of the ABO blood groups and checking the Rhesus factor but tissue typing for a bone marrow graft is tremendously more complex.

A preliminary sorting aims to match the main tissue types, called human leucocyte antigens. If a



match can be found for these factors, then a further test, the mixed lymphocyte culture, is used. The host's cells are allowed, in a laboratory, to attack the cells of the potential donor to see if the host will reject the graft. More importantly, in another culture in the laboratory the donor cells are allowed to attack the separately paralysed host cells in an attempt to predict whether graft-versus-host disease will occur.

This illness can arise because the transplanted marrow is a source of immunologically competent cells which can programme attacks on the new host. Lymphocytes in the marrow are designed to wipe out any foreign organisms and they carry an estimated thousand million recognition sites which can be triggered by immunogens. This means in practice that any small differences between the donor and the recipient might, as it were, set off alarm bells in these recognition sites and start the transplanted marrow attacking the body of its new host.

Graft-versus-host disease might kill the recipient of the graft within days or weeks of the transplant, or it can cause debilitating and chronic illness, damaging the liver, gut, skin and muscles. The host's own defences have to be destroyed before the graft can be accepted, but this increases the chance that the

engrafted marrow will itself attack the recipient's body. Balancing these factors entails the sophisticated use of radiation and powerful chemicals.

The risks of graft-versus-host disease are still so great that bone-marrow transplants are used only for illnesses that will almost certainly prove fatal without a graft. These fall into three main groups: leukaemias, severe anaemias and inborn errors of metabolism.

Leukaemia, cancer of the blood, is the disease associated in many people's minds with bone-marrow transplant. In fact treatment with anti-cancer drugs has improved greatly over recent years and is the first choice for children with leukaemia, only when this has failed will a bone-marrow transplant usually be tried. Only about 30 per cent of patients in this category will be cured by a transplant.

Success rates are higher for aplastic anaemia. In this illness the sufferer lacks red blood cells, and at its most severe this sort of anaemia will kill over 90 per cent of sufferers; bone marrow transplants have saved the lives of more than half of those transplanted over the last ten years at the Westminster Hospital.

The most promising area of new applications of bone-marrow transplant, however, is the treatment of inborn errors. Some 3,000 con-

ditions, all rare, have been identified where a child is born with a metabolic defect, such as a missing vital enzyme. In many of these diseases it has not been established yet what the nature of the defect is, but for some 7 per cent of them Professor Jack Hobbs at the Westminster Hospital has set up a permanent enzyme factory. Of these 90 candidate diseases, Professor Hobbs and his team have transplanted 40, and in 35 of these they have effected a cure.

In the ideal situation of matched sibling transplants the children treated by the Westminster team show survival rates beyond two years post-transplant of 46 per cent for leukaemia, 55 per cent for aplasia but over 90 per cent for inborn errors. Without a transplant, children suffering from these inborn metabolic defects would deteriorate physically, and in some cases mentally, from babyhood until death.

Finding a donor remains a major problem with these metabolic errors. Each person has two haplotypes making up their genetic "fingerprint": a child will inherit one from each of its parents. Hence even a family with four children may have no two with the same pattern, and in today's small families the chances of a compatible sibling donor for a child needing a transplant are low.

A parent will of course always share one haplotype with a child, but ironically although most parents offer immediately to be a donor for an afflicted child, the team at the Westminster has found that parents make bad donors, often giving rise to chronic graft-versus-host disease.

Transplant surgery in general has a grisly image; it is also extremely expensive and the results are sometimes disappointing. Bone-marrow transplant in contrast is relatively cheap (about £3,000 per transplant including finding and matching a donor and nursing care) and leaves the donor in perfect health.

The register that saves lives

If your child needed a bone-marrow transplant, how would a donor be found? The first step would be to take small (usually ten millilitres) blood samples from any siblings to check for compatibility. If a match could not be found among brothers and sisters then more distant relatives would be asked to help: bone marrow has been used successfully from uncles, aunts, grandparents, cousins.

Often no potential donor can be found even within the extended family, and at this stage the Nolan Register which began after the

unsuccessful search to find a donor for Antony Nolan, might be approached. This is a London-based computer store of preliminary tissue-types from over 50,000 volunteers who would be willing to donate bone marrow (it is consulted by doctors from many countries). Private patients, or those from abroad pay £100 to have their tissue-types matched against the register, while for the NHS a charge of £20 is levied.

For some patients with rare tissue-types, like Anthony Nolan, a donor is never found.

The pressures on this life-saving procedure are enormous, for if 50 people are waiting for transplants and there is only enough money to perform ten, then British doctors are forced to accept the patients who are most likely to benefit. The child for whom a donor from the Nolan Register recently flew to the United States was only given a 30 per cent chance of being saved by a transplant. She has been lucky and is out of hospital recovering well, but she would not have received a transplant in an NHS hospital.

Cooking through the years

In the winter of 1921 "The Woman's View", a daily column on the Court Page of the day, ran a piece headlined "Country friends to a Christmas shopping luncheon". In it readers were offered recipes for oysters au gratin, a Malay prawn curry, salad and waffles. They were also talked to.

Country friends flock eagerly to town, armed with lists of things they are resolute to buy and bestow, and the offer of a house of rest, an hour of respite from their bewildering preoccupations, and an agreeable luncheon will be an act of hospitality gratefully welcomed. It will be the more appreciated if we take the trouble to order such fare as it is not readily procurable in the country.

The author was plainly a person of substance but her identity was guarded by the attribution "from a special correspondent". If I had not found a second-hand copy of *Kitchen Essays with Recipes and their Occasions*, a collection of her columns in *The Times*, I might never have known that the author was Lady Jelkyll, DBE, hostess and for 10 years chairman of the visiting committee of the Borstal Institution for Girls at Aylesbury. Anonymity was the rule for our cookery writers until the mid-1960s.

In the 16-page wartime papers of 1940, meat rationing drew the cookery correspondent of the day, E. Brougham, to write about "resourceful catering" using unrationed meats. The kidneys that he, or she, advised, simmering for an hour cannot have been at their best, but the oxal recipes look sound enough. If readers of *The Times* had been familiar with awful offal before, nothing was spared them now. Ox cheek stew, sweetbreads, tripe, and stewed sheep's hearts were followed the next week by brains, liver puddings and sausages with semolina.

By 1943, paper was rationed too. *The Times* was down to eight pages and the Ministry of Food was printing more recipes than the advertising space than the paper's own correspondents. On October 5 it was "five delicious dishes from one packet of dried eggs".

Before Christmas that year the news columns carried daily stories of black marketeering in poultry. Advertisers like Rowntree and MacVities were buying space to explain why the "boys and girls at the front" were seeing more of their products than those left at home.

On December 16 the ministry offered a recipe for Christmas pudding "best eaten the day it is made". It called for 4oz of sugar and flour, 8oz each of fruit, grated raw carrot and grated raw potato, 1 teaspoon each of bicarbonate of soda, salt, nutmeg and cinnamon, 2

dried eggs and 2oz of melted dripping, all to be mixed and steamed in the usual way for two hours.

By 1956 there was a weekly women's page and regular cookery features. In October that year a correspondent called Ryan gave recipes for grouse pie, and guinea fowl with an olive stuffing.

During the 1960s the articles became both chattier and more precise. Thermostatically controlled ovens had become almost universal and recipe ideas were gathered from further afield. For Easter 1960 it was Russian Easter cake and pashka with entertaining notes on their provenance. In May the subject was rhubarb. "Temptingly displayed in the greengrocer's window, forsooth, rhubarb is perhaps not so flavour-some as that available later on but its rose-red colour is attractive and makes a welcome change from dried or canned fruit."

Mrs M. Stanley-Wrench, whose articles were not even signed "a correspondent", did not yet have frozen fruit to fall back on, or unseasonal airfreighted foreign imports. And her rhubarb sponge which made "a good change from the nursery folk" seems dated now, even for its day.

I have not seen a copy of *The Times Cookery Book* published in 1960, but I do have its spiral-bound successor of 1963. The oddest feature of it, discounting a recipe for "Christmas pudding, testostolers small", is the chapter order which begins with biscuits and bread, continues with desserts and ice creams, and ends with soups. The style is urbane and practical. The proportion of excellent French and Italian recipes is high, and author, maddeningly, is anonymous.

Katie Stewart, who wrote our cookery columns for 12 years from 1966, was the first cook to see her name in print. It was she who had the task of writing for the proud new owners of freezers and blenders. The reliability of her recipes earned her a unique trust, and her *Times Cookery Book* of 1972, and *The Times Calendar Cookbook* published three years later, were hugely popular.

Now there is *The New Times Cook Book* based on the columns I have had so much fun writing over the past four years. If it does nothing else, this book, like its predecessors, reflects the age live in. In 1921 Lady Jelkyll was advising her readers how to cope in the kitchen "in the cook's absence". My goodness, times have changed.

Shona Crawford Poole

The New Times Cookbook, by Shona Crawford Poole, is published by Collins, price £9.95.

Meal tickets: the law will provide

COMMENT

The Matrimonial and Family Proceedings Bill, introduced in the House of Lords on Wednesday, will sell the end of the divorced wife's meal ticket for life — or will it? Registrars — the judicial officers who make most of the decisions about divorced couples' finances — are privately voicing doubts that the Bill will wreak any radical changes in the divorce courts. "It's a bit of a non-event," said one.

The new law, like the old, will leave a lot of discretion in the hands of individual registrars and judges. I will be up to them to decide whether short-term maintenance or a clean break is appropriate in a particular case. In most cases, say the registrars, the outcome will be pretty much as it is under existing legislation.

The Bill directs registrars and

judges to consider short-term maintenance as a possibility, to allow a wife to retrain or adjust to becoming self-supporting. But the bleak employment picture will limit the scope for this sort of order. The courts already have the power to make limited maintenance orders, but they rarely use it.

The divorce courts are bracing themselves for a rash of applications from husbands to have their wives' maintenance cut off when the bill becomes law. Most will get short shrift.

What sort of case might a court look on favourably? "That of a working wife with children over 16 who is still getting maintenance from her husband," said a registrar. "Even then I wouldn't cut her off straight away. I would give her one to three years either to progress in her job, or work out her budget and finances." But

most wives over the age of 50 who have never worked can continue to count on their meal tickets.

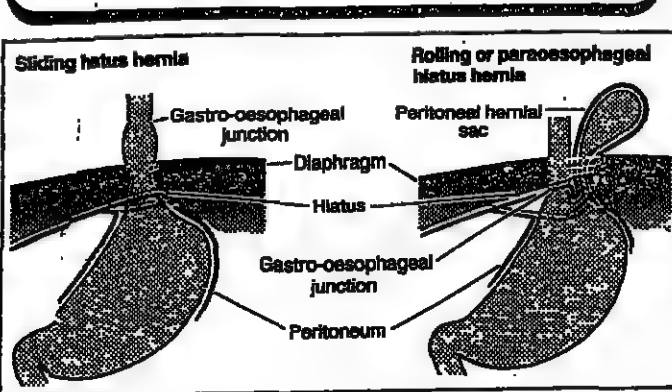
Short, childless marriages are the most likely to result in a clean break under the new law. But there is already a clear trend away from claiming maintenance in these cases.

Women who married in the 1960s and early 1970s have been caught unawares by the phenomenon of mass marriage breakdown. Today's brides are wiser and warier; fewer are willing to put all their eggs in the marriage basket.

However much the courts might prefer that husbands carried on supporting their ex-wives, the fact is that most divorced men remarry. And few pay cheques will stretch to cover the needs of two families.

Clare Dyer

MEDICAL BRIEFING



In the sliding hernia, left, the oesophagus joins the stomach above the diaphragm. The rolling hernia occurs when the stomach pushes through a hole in the diaphragm.

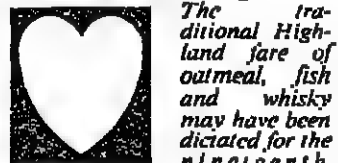
Beware the season of the hernia

In country practice, autumn is the season when patients with a hiatus hernia seek help, prompted to see their doctors by heartburn and chest pain brought on by the stooping involved in planting their bulbs and potatoes.

There are two types of hiatus hernia: the sliding hernia which occurs when the oesophagus, the gut, joins the stomach above the diaphragm, the shelf above the chest from the separating the chest from the abdomen; and the rolling hernia when although the junction is below the diaphragm, some of the stomach has pushed its way through the hole in the diaphragmatic shelf so that it lies alongside the oesophagus.

Symptoms occur when these abnormalities allow stomach acid of digestive juices to flow into the oesophagus and inflame lining not designed to

How heartening



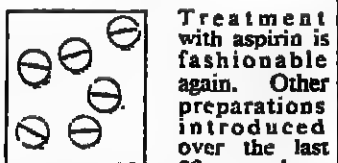
The traditional Highland fare of oatmeal, fish and whisky may have been dictated for the nineteenth

century crofter by poverty, availability and isolation, but a twentieth century nutritionist, provided that the alcohol was taken in moderation, might have devised a similar diet for his cardiac patients.

Ever as the papers reported the dumping at sea of unsold herrings, further confirmation of the cardioprotective action of eicosapentaenoic acid in fish oil emerged from Sheffield, where doctors are studying its effects on patients suffering from coronary heart disease. A high intake of fish oil reduces the serum cholesterol levels and increases the high density lipoproteins, helpful fats; perhaps the doctors' most striking observation is that treated patients needed few glyceryl trinitrate tablets to control their angina.

Porridge and whisky recently received accolades, too. Professor James Anderson, of the University of Kentucky, lectured in London last week on the advantages of oatmeal in the treatment of diabetes and as a means of reducing serum cholesterol.

Aspirin aid



Treatment with aspirin is fashionable again. Other preparations introduced over the last 30 years have challenged aspirin's preeminence as mild pain killers, temperature reducers and anti-inflammatory agents, but it is now making a comeback. Aspirin, by preventing platelets (small particles in the blood) from sticking together, helps to avert clot formation in the arteries of the brain, heart and lungs.

Dr Daniel Lewis, from Kansas City, has conducted a careful trial on 1,266 patients who were admitted to hospital with unstable angina, symptoms frequently suggestive of an impending coronary thrombosis; he gave half the patients a daily aspirin; the other half had an inert tablet. The incidence of heart attack was halved in the treated group.

Balance of risk

Professor M C Pike's conclusions on a possible relationship between the taking of some types of pill by women under 25 and the incidence of breast cancer has caused great anxiety. The risks of contraception must always be balanced against the risks imposed on a woman's health by unwanted pregnancies and either child-bearing or abortion; but it does seem that the wise precaution would be for women under 25 to take Norimin, Brevinor, Ovynorm, or Binovum. Logynon and Trinordal, two other preparations, would seem almost as safe.

Dr Thomas Stuttard

THE TIMES Tomorrow

START THE WEEKEND WITH THE PAPER THAT INFORMS, STIMULATES, AMUSES AND PROVOKES

10 pages of Saturday, the leading weekly guide to leisure, the arts and entertainment



THIS WEEK

- Values: The pick cards for Christmas
- Travel: A major new series—For Ever England Part I, Sri Lanka, the memories of a colonial past
- The ultra-sportsmen: Ronald Faux on why the super athletes stretch themselves to the limits of their endurance

And introducing three new features
Software: Sifting through the maze of products for home computers
Country Diary: Rural ruminations
Out and About: Yacht chartering

- SPORT: Rugby — London XV v. The All Blacks; Football — Liverpool v. Everton at Anfield, a preview of Sunday's local derby
- Sir Roy Strong on the very feline Reverend Muff

PLUS

All the news from home and abroad; Rock records of the month; Eating Out Caribbean-style; Drink on wines for November; a critical guide to the theatre, the latest films and concerts; Image of the Week, a new feature on photography; Bridge; Chess; Family Life on the British Museum; the Prize Concise Crossword; Dance; Opera and The Week Ahead

CAN YOU ALWAYS GET YOUR COPY OF THE TIMES?

Dear Newsagent, please deliver/save a copy of The Times for me

NAME

ADDRESS

THE TIMES DIARY

Pressing her case

Patricia Hewitt, Neil Kinnock's new press officer, formerly General Secretary of the National Council for Civil Liberties, wrote to Kinnock immediately after the general election, congratulating him on his campaign and offering her services in case he needed any help in the stormy days ahead. Keeping her options neatly open, Miss Hewitt wrote a similar letter, at the same time, to Roy Hattersley.

Escape note

Sir Georg Solti will be playing the piano publicly for the first time in 20 years, when he joins violinist Isaac Stern in a benefit concert on November 20 for the Central British Fund, a world-wide Jewish relief organization. Two other firsts for Solti: it will be the first time he has played the piano at the Royal Opera House and the first time he has acted as Stern's pianist, although he has frequently been his conductor. "Everyone appearing in the concert," says Lady Solti, "is in some way, a former refugee. Two of the performers, Siegmund Nissel, second violin, and Peter Schidlof, viola, were helped as refugees by the CBF. Solti himself began his career as a pianist, and as a refugee, earned his living by returning to the piano. "There are some people," said his wife, "who are of the opinion that he should never have given it up."

● This week, British Airways flew more than four tonnes of birds, including flamingoes and hornbills, from Nairobi to Detroit, to help resettle some American zoos and wildlife sanctuaries. The man in charge of the arrangements regarding this biggest ever freighting of birds was BA's Cargo Marketing Manager, Africa - a Mr Ken Eggs. (This information was supplied by my colleague Ken Gosling.)

Family man

The Duke of Gloucester is to attend an Oxford Union debate tonight in his private capacity as a former student. Neale Stephenson, the president, describes as "not terribly serious" the motion "That Richard III was more sinned against than sinning". So unserious, in fact, that the officers will wear fancy dress instead of the usual white tie, although the Duke, as guest speaker, will stick to the traditional black tie. He is a co-sponsor of the Richard III Society, and will of course support the motion in this the 500th anniversary year of the original Duke of Gloucester's accession to the throne.

BARRY FANTONI



"Quite right! Smokers should pay more for insurance"

Which switch

Which magazine's survey into what television viewers wanted to see on the screen contrasts oddly with what people watch. The Which? viewers, all members of the general public, preferred BBC to ITV, wanted to see more plays, drama, films and documentaries and fewer serials and soap operas. Getting away from the survey into the area known as real life, BBC ratings are currently at a new low - BBC 1's share has fallen below 35 per cent as against ITV's 58 per cent. The two channels, BBC 2 and Channel 4, which provide more of the programmes that the Which? viewers said they like most, have poor viewing figures (9 per cent and 5 per cent respectively) while those despised serials and soap operas *The Winds of War*, *Coronation Street*, *The A-Team* and *Hart to Hart* sweep the Top Ten list. Television marketing men twigged long ago that what people say they watch and what they actually switch on are two different things.

A good nose

In his role as president of The Royal College of Music Centenary Appeal Committee, the Prince of Wales offered a Victorian snuffbox for sale at the appeal auction. It fetched £800. He also bought a double magnum of Chateau Lafite-Rothschild, a 1969 Pauillac vintage, *premier cru classe*, for £120. Christie's, who organized the auction, were not overawed by the royal presence. They said that several members of the Royal Family are regular attendees at their auctions.

Harmony

On Tuesday night, hours before the Jerusalem Symphony Orchestra was due to play at the Festival Hall, the lead flautist, Nicholas Zaydell, was taken ill. Calls went out for a substitute and were answered finally, by a Lebanese flautist working in London. This was thought to be the first time that an Arab musician has played with an Israeli orchestra outside Israel but the man did not wish to be named.

PHS

Malcolm Bradbury voices some doubts about the latest literary stunt

Twelve winners - many losers

With the Booker Prize hubbub over, and this year's writers slinking back to their corners and caves, the new literary parlour game of the winter starts. Richard Hoggart, Elizabeth Jane Howard and Sir Peter Parker have been brooding over 200 books, some familiar already, some submitted by publishers and some called in, to decide on the 12 "Best Novels of our Time" published in English. The list of titles comes out this weekend, the selling campaign starts on February 22.

The enterprise comes from the Book Marketing Council, which gave us "Best of British", "Best of Young British" and "Best of SF", and is the last fling of its director, Desmond Clarke, before he goes to Faber & Faber.

There will be much scepticism. Literary hype is becoming hypnotic. To have winners there must be losers and the literary losers' lobby in Britain grows ever larger and more testy, suspecting that the well-promoted rising sales of some reputations and titles, not always cunningly selected, mean falling sales and reputations for others of equal or greater merit. Seriousness loses its seriousness; a new kind of literary reputation, not literary, critical or frankly commercial, grows. Readers want good books, but need to be told that good is what they are, even if they are not.

Yet the curious fact is that Britain - and virtually Britain alone - appears, as in wartime, to have a rising market for serious fiction. We

can put this down either to talent among writers or discernment among readers.

There is an increased sale of novels that do not simply repeat the routine rules, conventions and perceptions, which most novels do; of books that challenge the mind and intelligence, and start taking British fiction towards the end of the twentieth century in good order at last. We have seen the emergence of a vigorous new set of writers of distinctive talent, who are choosing fiction rather than, say, drama, and bringing international attention back to London-based writing. And there is even evidence of that rarity in British life, something like a genuine aesthetic debate about the novel as a form.

Promotion does seem to have helped. Best of Young British is said to have increased sales of the 20 chosen authors by 3 to 8 per cent overall. Library borrowing of selected titles has shot up. Standard bookshops and bookstalls that "never stock that kind of thing" have stocked and sold them, in

significant quantities. If, in the ever more frantic market of literary commerce, standards can actually rise, then not only good writers but the cultural texture should benefit.

The new promotion, whatever its choices, will probably have a more powerful effect still. The marketing council hopes to sell something like a million copies of the 12 titles chosen.

We can hardly envy Professor Hoggart, Miss Howard and Sir Peter their task of drawing up the ultimate reading list. "Our time" starts in 1945. One hopes the standard set will be that of literary seriousness, with the novel seen as a mode of human and intellectual inquiry. But the mismatch between many Booker choices and most academic judgments shows how hard this is. The task is to sum up an era in fiction that has not really settled down into clear definition.

Most university courses stop just about where the judges start, an obituary still remaining the best qualification for departing from the market and entering the syllabus. It

has been a rich, chaotic period which has oscillated between two extremes: a postwar revival of realism, and a new phase of experimentalism. It has also seen marked changes in the literary balance of power, with American fiction for a long spell dominating over British, and then the internationalizing influence of Commonwealth and post-Commonwealth literature growing.

But joining in the game, and assuming we are looking for the best rather than the most accessible or pleasurable, what would I choose? After much painful excision (why only 12, for such a rich time?) my list would contain: George Orwell's *Animal Farm*, Malcolm Lowry's *Under the Volcano*, Samuel Beckett's *Molloy*, Saul Bellow's *Humboldt*, Vladimir Nabokov's *Invitation to a Beheading*, Joseph Heller's *Catch 22*, Patrick White's *Possession*, Wilson's *No Laughing Matter*, John Fowles's *The French Lieutenant's Woman*, Thomas Pynchon's *V* and Iris Murdoch's *The Black Prince*.

I have avoided late works by great writers of the generation before, and I weep over many absences: No John Updike, J. D. Salinger, Norman Mailer, Kurt Vonnegut or John Barth; no Nadine Gordimer and no Chinua Achebe; no William Golding, Muriel Spark or Anthony Burgess, or D. M. Thomas or Salman Rushdie. And, for that matter, no Malcolm Bradbury.

© Times Newspapers Limited, 1983

David Watt

Anglo-Argentine thaw in B.A.

The victory of Raúl Alfonsín and the Radical Party in the Argentine elections is good for Britain as well as for Argentina. The point is worth emphasizing because Alfonsín's first post-election pronouncements on the Falklands issue have been deliberately designed to discourage the impression in Buenos Aires as much as in London that the British Government may now interpret the signals as meaning complete inflexibility.

This is not so. After several lengthy talks with some of Alfonsín's able foreign policy advisers in Argentina two weeks ago I came to the conclusion that there were several points on which he would be more difficult than the middle-class pragmatists, who had climbed aboard the Peronist working-class bandwagon and would have been in charge of foreign policy had Alfonsín lost, but that the Radicals would be more likely to stick, provided that the election victory was clear-cut.

Alfonsín's position on these matters can best be understood as being the result of his intense preoccupation with democratic legitimacy. He is attempting (like Dr David Owen in Britain, perhaps) to give a rational expression from the centre to a mood of patriotism he senses in the country. This has led him to an even-handed denunciation of the US and the Soviet Union as "the two imperialisms" and to a clear, if low-key attack on all great-power "encroachments" on Argentine sovereignty.

What this means in practice in relation to the Falklands is quite a stiff insistence on certain fundamentals, but considerable flexibility over time and method. He will not compromise the question of Argentina's ultimate sovereignty over the islands, but will be prepared to consider a lease or similar arrangement guaranteed by other powers who would be chosen by the two sides (although nomination of the US as one of them might be a bit difficult for him).

Whatever he may have said to British reporters in the heat of electoral victory, he would be prepared to offer a cessation of hostilities and assurances about the use of force very early in the negotiations. However these would be offered only in return for some clear evidence of countervailing willingness on the British side to make a gesture diminishing the British presence in the South Atlantic, either by progressive narrowing of the Exclusion Zone or by making reductions in the Falklands garrisons.

It is important to realize in connexion with the last point that all Argentines seem to be obsessed with the notion that the British are determined to build a permanent strategic base in the Falklands, replete with atomic weapons, nuclear submarines and vast facilities for the frustration of supposed Soviet designs on the Cape sea route and the Antarctic. I spent many hours in Buenos Aires trying to explain the intrinsic implausibility of such an exercise, quite apart from the impossibility of Britain's finding the money for it. But even the most rational Argentine will have none of it.

The British Government's reply to the House of Commons Defence Committee that the sole object of the new airfield is to make defence of the islands themselves possible

and nothing more, is apparently a ruse. We are dining in forever.

This curious misapprehension is a nuisance, but it could be turned to good account. A clear British ministerial statement that the airfield is defective and that we would scale down our forces in response to real evidence of good will on the other side would "buy" more with the Alfonsín government than it is really worth.

In Buenos Aires I stumbled over some footnotes to the history of the war.

After talking to a number of the Argentine actors in this drama I am no less amazed at the verdict of the Franks Report than was when it was first delivered. The clear evidence in Buenos Aires is that the "bustion" to start the operation was actually pressed on March 26, ie, a week before the Argentine troops landed on the islands. That extent it could be said (as Franks did) that Mrs Thatcher could not have been expected to foresee an action which its perpetrators were themselves undecided upon until the last moment. On the other hand there is plenty of testimony that a firm decision in principle to invade the islands during the course of 1982, if and when a suitable occasion offered, was taken in December, 1981, and conveyed to a small circle of senior officials.

This evidence casts a marvellous light on the words and actions of Dr Costa Mendez, the Foreign Minister, throughout the crisis. It also reinforces the impression that there was a costly "pure" of British intelligence. Had it been known to Lord Carrington that the die was cast, all hesitations about sending a naval force to the South Atlantic for fear of provoking rather than deterring an invasion, would have disappeared.

Since diplomatic relations were broken off at the beginning of the war, British interests in the Argentine have been looked after by the Swiss government. Within this "Swiss Embassy", however, there lurk two or three survivors of the old British mission. Their head is David Joy, who joined the British Embassy (from Poland, of all places) just before the war and has stayed since.

His tribulations in the last 18 months have been considerable, for not only has he been boycotted by the Argentine Foreign Ministry, he has been shunned by the rest of the diplomatic community, including the embassies of our European partners. ("The only people who do not treat you like a leper in these circumstances," according to one diplomat, "are other semi-lepers like the Israelis and the South Africans.") At last, there seem to be first signs of a thaw. Doors are not quite so firmly barred and discreet diplomatic party or two has become possible. But the most significant development has been the reappearance of the British Embassy Rolls-Royce. This splendid vehicle, which was locked away for more than a year, lest it be overruled and smashed up by the infuriated populace, can now be seen purring around the streets of Buenos Aires with Mr Joy royally cocooned in the back. It is a mark that Joy, still a relatively humble counsellor, should be rewarded with such ambassadorial comforts and nicer still that he has found a way of showing the flag, and getting away with it.

Philip Howard

Heat sauce; sprinkle liberally with Latin

It was the fault of the lodger (part-time, non-rent-paying, and as greedy, whoops, as much of a gastronome as B. Levin). Put it this way, they are both men of unbounded stomach. We normally eat simple children's food in the evening: bread and cheese with a raw onion, or, if the groceries are running out, custard creams spread with marmite. Finding this diet too simple for him, the lodger brought back a spectacular lump of fillet steak. In an aberration, carried away by the majesty of the bleeding piece of beef, I volunteered to make *sauce bearnaise* to go with it. I had dim memories that this was the right complement for good beef. The lodger would like it better than mustard squeezed like yellow toothpaste out of a tube.

The only cookery book available was an early edition of Mrs Beeton. I blenched a bit when I saw what I had let myself in for. But by then it was too late to withdraw without shame. Peppercorns, yes, just about, somewhat bruised from the pepper mill. Not a hope of shallots: but I dare say chopped onion will do. Tarragon? Swearing, I groped my way into the black and pelling night and plucked dripping branches from the jungle where herbs are said to grow. But can we be sure that it is tarragon, and not fenugreek, say, or rock samphire, for that matter? It smells of onion, but that may be because we have been chopping onions. And have you ever wondered about its botanical name, *Artemisia dracunculoides*? One can trace the *dracunculoides* back to the medieval Latin *tarcon*, thence to the Arabic *tarikhun*, and thence, possibly, to the Greek *drakonion*, or adderwort.

But whence and wherefore the *Artemisia*? What has it got to do with the lady admiral of Xerxes, whose gender so wounded the machismo of the Athenians? The trouble with Ma Beeton is that she gives her quantities in obsolete measures. Wine vinegar we had. But whether three gills was a splash, a cupful, or a bucketful, was a mystery as dark as *Artemisia*. The only dictionary available was Dr Johnson's. This was quite good fun on the subject of gills. "The

appellation of a woman is ludicrous language, Ben Jonson's *Gyestes*.

I can, for I will
Here at Burley o' th' Hill,
Give you all your fill.
Each Jack with his Gill."

Good romantic stuff, and a hey-nonny-no; but of no practical use to the coarse cook up to his armpits in melted butter: turning brown and egg-whites. I always quite enjoy the process of separating egg yolks from their whites, pouring the little golden ball backwards and forward from half eggshell to half eggshell. Jamie thought it was fun too. And to bid the beagles, who licked up the fall-out.

I have no doubt that since Mrs Beeton toiled, they have worked out a simpler way of making *sauce bearnaise*. But in her recipe, about halfway through, when you are already flagging, you find that you have to make a *béchamel* sauce, calling into play at least two more saucepans, two more rings on the cooker, and the back-burner, I've had such a thing, which has become a silly cliché metaphor.

We had wanted *béchamel* sauce, we should have started out to make it, instead of having it imposed upon us halfway through the business when the beef is already almost *sangrini*. And where are we going to get a blade of mace? And how shall we recognize it when we do? Would this tarragon (query fenugreek) do as an understudy for mace, at a pinch? And now we have four saucepans, all of which are going to take days to clean, and one of which is boiling over with something that looks unpleasantly like scrambled eggs. But it does not taste as nice as scrambled eggs.

Eat your heart out Anhelme Brillat-Savarin. Face you, and *sauce bearnaise*, is not even a minor art form, but a childish game comparable with plasticine-modelling, and tasting much like it. "The English diet, compared with the German, even with the French, is a sort of back-to-nature diet, a return to cannibalism. This diet, I think, gives heavy feet to the mind - Englishwomen's feet!" Nietzsche. Right on, Friedrich Wilhelm, baby. Back to the custard creams, chaps and lodger.

Bernard Levin: the way we live now



Confrontation, Greenham Common: "no country can tolerate such anarchy... even by unarmed demonstrators"

Who'll be to blame if they shoot?

The only fact that can be deduced with complete certainty from the refusal of Mr Heseltine and the Prime Minister to give an assurance that in no circumstances will shots be fired at those who enter illegally upon military installations is that it came as the most wonderful news imaginable to the more calculating leaders of the unilateral disarmament campaign, some of whom are doubtless already calculating how they can help to bring about such a catastrophe and dreaming of a confrontation that will leave an innocent demonstrator dead upon the reddening grass of Greenham Common, preferably an eight-months pregnant mother of three children (one dyslexic and the other two suffering from multiple sclerosis, widowed a month earlier, who had never been in any political organization in her life and who had been impelled to join the cause by her devout and long-life adherence to Quaker principles strengthened by a unanimous plea that she should do so from the homeless children on whose success her every spare moment had been lavished for several years past).

We had better face the fact that some such hell-sent gift to our enemies, native and foreign, may yet be delivered, tastefully wrapped in blood. And while we are facing it we had better think out the implications. First, Mr Heseltine and Mrs Thatcher are right to say that all British governments (or at any rate all realistically conceivable British governments) would have to protect the country's means of defence, and that all previous British governments have done so; this must inevitably include, *in extremis*, giving an order to fire upon those who threaten the security of those means (and for that matter the

safety of those who might be at risk if nuclear weapons were tampered with). No country, least of all one as small, crowded and homogeneous as ours, can tolerate anarchy of the kind inevitably consequent upon the storming, even by unarmed demonstrators, of the sites of military preparedness, and if you think that is not necessarily true, pause for a moment and contemplate a single extrapolation from the already familiar nightmare cliché of a stolen nuclear weapon in the hands of Colonel Gaddafi or the IRA: how easily would you sleep if the ladies of Greenham, having got their hands on the warhead of a cruise missile, demanded that universal love and brotherhood should be immediately instituted and announced that as their own contribution to the good work they were going to dismantle the nasty, noisy thing and dance round the pieces singing selections from the *Bruce Kent Book of Unilateralist Madrigals*?

It is a terrible thing for lives to be taken, or even risked in the defence of public order. But just as the ordinary law, within the doctrine of "reasonable force", lays down some kind of sliding scale for what the citizen under threat or attack may do to an assailant, up to and including killing in self-defence, so society, through its elected government, must be allowed all means necessary to protect the safety of the realm and the people in it. Few would dispute that one of the inescapable duties of any government is to protect the country it governs from an external threat; even members of CND maintain, however untruthfully, that they want Britain defended, albeit by non-nuclear weapons. I can see no serious argument against the existence of a military duty to protect the country from internal threat. The

threat will of course be of a different nature, but if it is right, as it surely is, in a parliamentary democracy, to use all necessary force to put down, say, an armed insurrection (which is, after all, precisely what is happening in Northern Ireland), it cannot be wrong to use all necessary force to end or contain a threat to the means of national defence, which could be a greater threat than the actions of any revolutionary group.

All necessary force: none but a lunatic would condone shots with real bullets until all lesser means had been used without avail. But those who say "not even then" are obliged to say also how the survival of fundamental order under real threat is to be maintained, or why we need not worry if it isn't.

What is more, it could be later than we think. The missiles will arrive very soon and the thief or spy in the Ministry of Defence who delivered to *The Guardian* Mr Heseltine's memo may well also be in a position to transmit to CND, for use rather than publication, the dates and details of the missiles' installation - both the ones who object to them from a belief that such weapons are abhorrent and immoral and the others who do so from a fear that they might strengthen the West against the Soviet Union and thus make less likely an eventual triumph by the necessary to which they owe an unqualified allegiance - will demonstrate at the site as never before; among the demonstrators there will certainly be some who long for one or more deaths among their number (excluding themselves, of course) and will strive to bring about such a tragedy for the incalculably great use they can make of it by way of propaganda.

Un l'as vu, Georges Dandin! I believe that that slippery monsieur

and that weary historian would be truly horrified at any loss of life, and would be able to swear, hand on heart, that they neither wanted it nor had any dealings with those who did want it. But they and their equally non-violent associates will not be able to disclaim all responsibility; they have repeatedly shown by their actions that neither the law nor the voters' choice will deter them from their purpose, which is to make impossible the deployment of a defence system decided upon by a democratically elected government, and those who set at naught law, Parliament and electorate cannot maintain, when armed men spring up from the dragons' teeth they have sown, that they ordered nasturtiums, not even if it said nasturtiums on the packet.

Obviously, however ill-disposed some of the unilateralists may be, they cannot order troops to shoot at them. But there is, and must be, an ineluctable duty on the part of the forces of order, under the instruction of a duly elected government and equipped with powers given by Parliament, to take all necessary action to defend places where lie the country's means of defence. In the very last resort, though certainly not before, those who, by strength or guile, enter upon those places and attempt to steal, damage or destroy such defences, are liable to be fired upon. If they are so reckless as to put themselves into such a position, or so foolish as to allow others to put them into it, the consequence are upon their heads, whatever those consequences may be. And at least, after the statements by Mr Heseltine and the Prime Minister, they cannot maintain that the consequences were unknown to them.

© Times Newspapers Limited, 1983

A sentimental story that landed poor Zhang in disgrace

them the official position on literature.

It is impossible to understate the leadership's estimate of the damage caused by heterodox ideas. At the moment, Peking is conducting a drive in the national press against the "pernicious" ideas of Jean-Paul Sartre, which are alleged to have poisoned the minds of disillusioned young people.

Hu Qiaomu, a top party ideologue, spelled it out two years ago for the propaganda committee. Mistakes in laboratories. Hu contended, produce limited losses, and even the mistakes of economic planners can be controlled. Hu was treading very heavily here: Maoist economic miscalculations in 1958 led to three years of starvation in which at least 15 million died. But Hu insisted, an ideological error "will spread like an epidemic and will harm the spiritual health, stability, and unity of the whole society and even give rise to a catastrophe as serious as the Cultural Revolution."

Hu's last clause contained a shrewd stroke. No Chinese intellec-

tual wants a replay of the Cultural Revolution. It was particularly disastrous for "brain workers," so if the party says that a bad idea could produce such consequences, writers will listen carefully, not because they agree, but because they long to avoid another upheaval in which they will be the focus of a murderous officialdom.

What, then, did Zhang Xiaotian do? In the party's eyes he violated the official literary canon, then compounded that error by "distorting" two historical periods which happened to cover key episodes in the career of China's strong-man, Deng Xiaoping.

For rather different reasons Zhang's novel, *Exuberant Grass on the Plain*, would also make western critics wince, filled as it is with astounding coincidences over a 20-year period, embedded in a damp blanket of sentimentality. Chinese readers, however, lap up such conventions.

Where Zhang ran foul of the official critics was, first of all, in his presentation of two central characters, a Nationalist officer, who turns

out to be good, and a communist woman, who emerges as "stony-hearted".

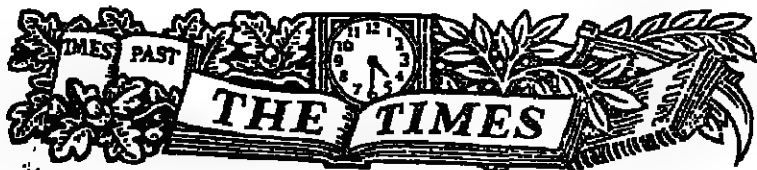
Unfortunately for Zhang, such characters are not "typical." This does not mean they are not ordinary or average. "Typical," as Mao Zedong explained in his 1942 talks on literature and art, delivered while his guerrilla forces were fighting both the Japanese and Chiang Kai-shek's armies, means "bright" characters, who must be extolled for being revolutionary, and "dark" ones who should be clearly exposed as opposed to the masses. By showing a "bright" Nationalist, and a "dark" communist, therefore, Zhang Xiaotian mixed up his labels.

Zhang made it all worse for himself by setting his novel in two well-known periods: the 1948-1949 Huai-Hai campaign, in which the communists nearly finished off their Nationalist enemies during the civil war; and the Cultural Revolution.

The Writers Association charges that in his novel Zhang "ignored the causes, nature, class origins, and political ingredients" of those episodes. All educated Chinese will instantly realize Zhang's mistake: Deng Xiaoping was a top political commissar during the Huai-Hai campaign. Now he is China's most celebrated survivor of the Cultural Revolution, in which he was twice purged.

Jonathan Mirsky

© Times Newspapers Limited, 1983



P.O. Box 7, 20 Gray's Inn Road, London WC1X 8EZ. Telephone: 01-837 1234

RESCUE

There are 158 members of the United Nations and barely 40, certainly under 50, have governments which subscribe to the principles of parliamentary democracy and human rights which under the original raison d'être of that international body. The vast majority of members of the United Nations are dictatorships of one kind or another, but all of the kind which is ultimately legitimized only by the arrival of the gun and certainly not by the symbolism of the map. Indeed if they saw a map, most members of the UN would assume that it was not a symbol of sovereignty of the parliamentary tradition so much as one more blunt instrument with which to beat their peoples into submission and to pound words into a pabulum of falsehood.

The perversion of truth and the manipulation of a purely local majority of dictatorships at the UN were both evident when the Grenada episode was debated early yesterday at the General Assembly. The vote condemned the action, which has been Grenada from a dictatorship and is clearly welcomed by Grenadians themselves. Now, however, then, that the majority of unelected dictatorial governments which voted to condemn the East Caribbean States and the United States called for early elections in Grenada - a privilege they deny absolutely or in all but name to their own citizens. Not the Soviet Union and its allies, though even they could not quite stomach that recommendation.

Most members deplored the use of force and persisted in describing the action as illegal - the only exercise in cynicism, the other in the familiar manipulation of language which is such an effective instrument in the hands of enemies of liberal democracies. Language is to democracy what a sound currency is to the working of an economy: abuse one and the other comes fatally subverted. It is not surprising therefore that those who are hostile to free speech in their own countries use it so effectively as a weapon of suppression within and subversion elsewhere.

The intervention in Grenada was requested from Grenada's neighbors and the only avail-

able nation with the requisite power at hand. It was requested by the only remaining constitutional authority within Grenada. The Governor-General subsequently confirmed his invitation in writing when his safety was assured. That is not the way that the dictatorial majority in the United Nations would like to see the episode. It is none the less surprising that Mr Denis Healey in the House of Commons yesterday was so contemptuous of Sir Paul Scoon's legitimacy. Even Sir Geoffrey Howe was less than generous in his endorsement of an operation which has brought more security to Grenada than its citizens have known for many years.

So who is to look after those members of the United Nations who, like Grenada, are to all intents unable to defend themselves from any group of thugs? That is the question posed on this page today by Lord Home. It was raised rather less effectively yesterday in the Commons by the Foreign Secretary. It needs an answer. It received an answer last week, quite succinctly, when Grenada's neighbours and the United States went to that country's rescue. The facts of that episode have now run foul of the cynicism at the United Nations, and the general manipulation of language which occurs whenever the interests of the Soviet system appear to be challenged.

The United Nations was founded on a principle of non-interference in the affairs of sovereign states. At that time its membership comprised nations who could lay some claim to a capacity to look after themselves in defence of their sovereignty, so that any intervention was bound to be overt and identifiable to the world community. That situation is wholly different now for two reasons.

The first is the growth of a new generation of so-called sovereign states which have little or no capacity to protect that sovereignty from the slightest threat. The second is because the spread of totalitarianism outwards from the Soviet Union uses covert methods more frequently and more successfully than overt ones. They present the West with a challenge which it has hitherto had neither the clarity of mind nor the will to tackle.

THE COMPETITIVE SPIRIT

The argument for privatizing State corporations is essentially three-fold. Corporations that have to justify their existence in an open market are likely to be more efficient and more responsive to society's needs than industrial monopolies. Ministers of the CWA and Civil Servants, however, are badly suited to mastering commercial enterprise. If the Government is to have a chance of breaking free of the tyranny of excessive public borrowing it needs the proceeds of asset sales.

The Government's plan to transfer British Telecom into a private sector company by means of a flotation on the stock market is a watershed in privatization policy. The decision, on all three counts, is right, but partly because details of the exercise were ill thought out, opposition from a strong alliance of unions, the Labour Party, Tory backbenchers, consumers and key sectors of private industry, has rocked the Government back on its heels. Lord Weir's gibe that the Government is merely substituting a private for public monopoly has struck a raw nerve. Not only has this prompted a series of changes in the Government's Telecommunications Bill, designed to strengthen the competitive pressures on British Telecom once it is privatized, it has also prompted the Government to rethink the vital distinction

between a simple transfer of ownership from public to private sector, and a genuine improvement in an industry's competitive and operating environment.

In this context the latest exposition of privatization policy by Mr John Moore, the Financial Secretary to the Treasury, is a useful step forward. The crux of Mr Moore's speech on Tuesday was the need to see and to judge privatization not as a means of countering the persistent exigencies of PSBR, but as an agent of greater competition. Competition, he averred, is an "extraordinarily efficient mechanism". The long-term success of the privatization programme would stand or fall by the extent to which it maximizes competition. This surely is right. He should be encouraged by the fact that with few exceptions, those running nationalized industries want to operate in the open market place not because they may vote Tory but because they know, as managers, that that is where they should be.

Too often the Government has shied away from the radical possibilities for promoting competition in favour of facile cosmetics. British Telecom is in danger of becoming an example of this double-think. The coal industry is both a precedent and a warning. The Government continues to impose a ban on foreign coal imports for reasons that have more to do with the

In 1964 Tanzania invited British troops in to quell a mutiny. In the mid 1970s Tanzanian troops invaded Uganda to help topple President Amin. Did either of those precedents influence Tanzania's vote in the United Nations yesterday? Of course not. Yet had there been any honesty left in Tanzania we might have seen some recognition of the fact that what Grenada has suffered is what Zanzibar suffered in the 1960s and what any Third World country which is not yet a military dictatorship will suffer from unless some measures are taken by the West to protect them from the relentless progress of Communist or near-Communist attempts to undermine the slender political structures, on which developing countries are based.

Those countries have no articulate communities to argue about freedom. They are not so concerned with politics as with the basic requirements of development and subsistence. They can literally be hijacked by armed men aided and supplied by outsiders. Many have been so already, and few have been rescued from such an experience.

The Brezhnev doctrine enunciated a principle which the Western world recognized to be intolerable. Yet nobody has taken action to see that it would in practice not be tolerated. That doctrine was that no country, once it has been embraced by so-called "Socialism" could be allowed to revert to a non-Socialist state.

Since then the Western world has watched impotently while nation after nation has become the prisoner of this rhetoric, ruled by military dictatorships which often call themselves People's Democratic Republics, with neither popular consent, nor democracy, nor the republic ideal anywhere in evidence. Grenada is almost the first small defenceless country to be rescued from that prison. Its rescue should be welcomed, and fully consolidated.

A more important task for the West now is not to feel hang-dog about this rescue, but to develop a coherent and multilateral approach to further rescues. If it could not have been done for Grenada, could anybody have had hope? From this small beginning, a strategic initiative should be seized.

desire for an easy life than with any tenet of policy. Mr Moore, like his Treasury superior Mr Nigel Lawson, condoned this attitude when they were in harness at the Department of Energy.

British Telecom gives the Treasury a chance to prove the worth of Mr Moore's words. The more restrictive the regulatory framework, the less value the City will place on British Telecom when it is floated - and therefore the less the Chancellor will raise from the exercise.

Much as he might extol the improved financial performances of companies such as Cable & Wireless and Amersham which have already been transferred to private sector ownership, Mr Moore is well aware that they were the first to be privatized precisely because they were already commercially successful and were relatively free of the hidebound thinking and restrictive labour practices he castigates as typical of the state industry. The real test of the privatization programme is still to come. The Government must tackle the monopoly industries - gas, electricity and (why not?) the post office - which have barely begun to face the pressures of outside competition, and which confront the public daily with the kind of service, good and bad, that entrenched State monopolies provide. Competition is a sound principle: now it must be implemented.

DICTATORSHIP IN DEBT

Western governments have now agreed to reopen negotiations on Polish debts. In addition Poland will start discussions on joint fishing ventures with American companies. These are two very small and cautious steps towards relaxing the sanctions imposed after the declaration of martial law in Poland in December, 1981.

There are two main thoughts behind the move. One is simply that the Poles owe the West a lot of money. The total hard currency debt is about \$27,000 million, of which about \$12,000 million is covered by Western government guarantees. The commercial banks have been negotiating their part of the debt but the suspension of talks with Western governments has meant that the Poles have had available about \$400 million a year which would otherwise have gone to servicing the debt. Many people

see this as more of a sanction against the Western taxpayer than against Poland. Of course, the Poles have suffered from the drying up of further flows of credit but their poor creditworthiness would have had much the same effect without sanctions. Now that they have turned around their balance of payments it seems only right that their hands on some of the surplus.

However, there is also a political thought behind the move. The original conditions laid down by Nato for lifting the sanctions were that the regime should end martial law, release detainees and engage in dialogue with the Church and Solidarity. The situation now is much fuzzier. Martial law has been lifted but replaced by many laws with similar effect. Detainees have been released but a number

of people are still in prison, some sentenced, some not. There has been a dialogue with the Church but Solidarity is no longer formally in existence. The problem for the West, therefore, is to redefine its conditions in the light of new circumstances.

The solution agreed upon by the West is to make small responses to small moves in the hope that bigger moves will follow. As has been said in Washington, the carrots must be made credible.

Gradualism and conditionalism must therefore be the key words for Western policy. There is a natural link between the Polish regime's relations with its own people and its relations with the West. If one improves, so can the other. Only if that link is maintained can the West maintain its credibility with the Polish people. We should not move faster than they do.

Dangers and defences in Sellafield plant's emissions

From the Chairman and Chief Executive, British Nuclear Fuels Ltd

Sir, I am grateful for your responsible second leader in today's issue (November 2) on the subject of Sellafield. The programme about our plant at Sellafield, it is gratifying to have the issues discussed dispassionately. However, you will I hope allow me to make some comments.

1. It appears that your article was written before you had seen the complete programme, which included our answers to the allegations. It is regrettable that YTV appear to have sought extensive advance press publicity for their allegations by selectively releasing details of part of the programme before it had been completed by our main contribution. In our view this action was contrary to an agreement we had with them concerning the extent to which this programme would be publicized in advance of completion.

2. You criticize us for claiming infallibility. This is rather a harsh judgment. We did not dispute the levels of radioactivity claimed by YTV's researchers, nor their main origin as the Sellafield plant. What we did, and still, dispute, and I believe demonstrated convincingly in the programme, is that it is incredible that the high cancer incidence in children at Seascale can be attributed to radioactivity emanating from Sellafield. Briefly, this is because the lifetime radiation exposure, which would have had to have been received by the whole population of children in Seascale, is about 1,000 times more than we and the responsible authorities derive from the sources identified.

This requirement was accepted by Professor Radford during the discussion at the end of the programme. It is on that basis that we consider our case is strong and justifies the categorical rejection of the allegation made by Yorkshire TV.

3. You chide us for lack of openness in passing information about our affairs to the public and cite instances from the 1970s and earlier. The criticism may well be justified about that period, but it certainly is not true today, nor are we dilatory in examining and monitoring the level of our discharges and the health of our workers.

As stated in the programme, the discharges are monitored and all the pathways back to man are investigated and monitored. All this information is published regularly and has been the subject of detailed

discussion with the local community and independent experts at the Sellafield local liaison committee. The general public in the vicinity of Sellafield receive a radiation dose, arising from our operations, about 100 times less than that received by our radiation workers at Sellafield.

We have recently published the results of a comprehensive survey of the mortality statistics of all our employees, past and present, back to the beginning of operations at Sellafield, and we have had 97.5 per cent success in our health enquiries. The results show that the number of cancers is a little less than the national average.

Responsibility for analyzing local and wider population statistics must surely rest with health authorities and bodies such as NRPB, particularly when this would require access to detailed medical and personal information relating to individuals.

If we are, still, thought to be reticent it is, I suspect, because much of the media ignores our statements and information in favour of more alarmist and therefore more "newsworthy" comments from others. A good example of this occurred in the present case when Mr Mummery, our safety director, who appeared on our behalf in last night's programme, gave a long interview to your Sunday tablemate last Friday, rehearsing many of the points he made last night, but virtually none of them appeared in the long article on the subject which appeared in last Sunday's edition.

4. We are certainly not complacent about evidence of excess cancers wherever and whenever they appear and we support the view that the statistics for Seascale and other populations adjacent to Sellafield should be scientifically examined.

Such analysis needs to take account of time and residence in the locality, the age distribution in the population, and occurrence of local "clusters" in other small populations before conclusions can be drawn as to whether the incidence of cancers detected by Yorkshire Television is significant or not.

Yours faithfully,
CON ALLDAY, Chairman and Chief Executive,
British Nuclear Fuels Limited,
Risley,
Warrington,
Cheshire,
November 2.

From Professor Margaret Donaldson-Salter
Sir, In the recent Yorkshire Television programme about Windscale

the representatives of British Nuclear Fuels seemed dangerously untroubled by the evidence that was presented.

There were three main strands to the evidence:

1. There is an unusually high incidence of cancer in the neighbourhood of Windscale, so high as to be very statistically significant. (That means that we cannot reasonably attribute its occurrence to chance and call it "random". We must accept that there is some systematic cause.)

2. There is an unusually high incidence of radiation in the same district - in the soil, in the sand, in the sea spray, in the dust within the homes. Such a correlation, though it gives grounds for suspicion, does not by itself constitute evidence of a direct causal link, as is well known. However, in this instance we have to add a third consideration.

3. Radiation is known on quite independent grounds to cause cancer - and it is known to be especially likely to give rise to cancers of kinds that have recently been occurring around Windscale.

In the discussion on the Yorkshire Television programme the spokesmen for British Nuclear Fuels did not challenge the evidence either about levels of radiation or about the incidence of cancer. Rather they resorted to talk of "permitted levels", and they tried to argue that the children with cancers could not have had a long enough exposure to radiation for the observed number of cancers to have been produced.

This, however, will not do. The cancers have occurred. If their frequency is so high that we are bound in reason to postulate a systematic cause, that cause urgently needs to be found.

Given the third strand of the evidence, by far the most likely cause is radiation from Windscale. Our present knowledge may not be adequate to show exactly how this has led to so many cancers, but our ignorance does not justify us in merely letting things roll on.

The only escape route for British Nuclear Fuels or for the legislators who regulate their activities, would be to uncover a different cause. Until this is done it is wrong, if not yet criminal, to go on dumping effluent from Windscale into the sea.

Yours faithfully,
MARGARET DONALDSON-SALTER,
143 East Trinity Road,
Edinburgh,
November 2.

Vote for Gibraltarians

From the Reverend Dr Gerald Bray

Sir, Mr Peliza's remarks (October 24) about the status of Gibraltarians demands serious consideration by the Government and people of this country. There is much to criticise in the process of decolonisation, which has led to the granting of independence to such places as Grenada and the Seychelles, but with the departure of Brunei at the end of this year it seems probable that this phase of the nation's history has now drawn to a close. But what to do with what is left?

If we remember that Gibraltarians and the Falkland Islanders already have full British citizenship, and that Hongkong is a special case which everybody recognizes must be treated differently, we are left with an odd assortment of islands, mostly in the Caribbean and the South Atlantic, whose total land area is about 600 square miles and whose aggregate population is about 100,000.

They can hardly become independent, even by today's standards of nationhood, and Britain will always be responsible for their defence, as last year's Falklands episode demonstrated.

Why not then give them all full status as parts of the United Kingdom and follow the example set by France? It would clear up an anomaly, remove any stigma of colonialism, and recognize that the few inhabitants of these places, if they ever did decide to come to Britain, would be among the most loyal and patriotic of citizens?

Sadly, the example of Gibraltar and the Falklands suggests that if the inhabitants of Pitcairn or St Helena want similar status, their best bet is to encourage the claims of, or even liberation by, a foreign Power. Have we really sunk to that?

Yours sincerely,
GERALD BRAY,
Oak Hill College,
Southgate, N14,
October 25.

In defence of publishers

From the Chief Executive of the Publishers Association

It is sad that the Chairman of the Booker prize judges, Miss Fay Weldon, should have used the award ceremony - usually a celebration of the qualities of British contemporary fiction - for a scathing attack (feature, October 27) on the British publishing community, which submitted no fewer than 100 titles of literary merit to the panel, no mean publishing feat in itself.

Of course, publishers are dependent on creative writers for their success. Equally obviously, there is bound to be a tension, which in my experience is usually constructive, in the decisions involved in putting a literary work on to the commercial market-place, especially as the market for literary fiction is, to put it mildly, small, difficult to expand, and (particularly with the severe public library spending cuts) severely restrained.

Educational research

From Mr Clive Jenkins

Sir, I am writing as Chairman of the TUC Education Committee to welcome the reported decision made by the Secretary of State for Education and Science to refuse DES funds to the National Council for Educational Standards for its research into examination results. In view of the considerable controversy surrounding this research, the Secretary of State's decision was sensible and educationally sound.

The serious misgivings which the DES statisticians are known to have expressed about the validity of the research and the methods used by the NCES gave rise to grave concern about the political bias revealed in their report. It is a matter of utmost public importance that research on our education services be carried out by bodies whose independence and research methods are beyond question.

The NCES findings, purporting to

show that pupils from secondary modern and grammar schools achieve better examination results than those from comprehensive schools appears to have been based, to say the least, on a highly unrepresentative sample which failed to take account of social class and social deprivation and which included a far higher proportion of grammar schools than comprehensive schools.

It is a matter for regret that opinions based on such shaky foundations have received so much publicity. It is now sincerely to be hoped that the Secretary of State's rational and fair-minded decision will discourage them from further such excursions.

Yours sincerely,
CLIVE JENKINS, Chairman,
Trades Union Congress Education Committee,
Trades Union Congress,
Congress House,
Great Russell Street, WC1,
October 28.

Mr Shamir and Lehi

From Mr Lenni Brenner

Sir, Your October 21 issue contains a denial, by Yitzhak Shamir, Israel's new Prime Minister, of any part in the efforts of the "Stern Gang" to ally themselves to Adolf Hitler in 1940-41. He admitted that "There was a plan to turn to Italy for help and to make contact with Germany on the assumption that these could bring about a massive Jewish immigration (to Palestine); I opposed this, but I did join Lehi (Fighters for the Freedom of Israel) after the idea of contacts with the Axis countries was dropped."

As an American, away from my field, I cannot be certain exactly when, in 1940 Shamir joined the group. But in any case, isn't he confessing that he knowingly joined an organization of traitors which had offered to ally itself to the arch-enemy of the Jews? Nor can there be any doubt that he joined up with

own recent headline (October 18): "British is best at world's biggest book jamboree".

Miss Weldon obviously believes that author and publishers' staff, get a raw deal, but most authors are represented by professional negotiators, their literary agents, who are as able to drive a good bargain as any publisher; no one is forced to sign a contract on terms they don't like, and there are hundreds of publishers anxious to attract good writers.

This is not the unbalanced relationship described by Miss Weldon, in which there is continuous animosity. It is one in which success demands a partnership of complex talents and a matching of skills.

Of course publishers lack perfection. Many have their own literary foibles, which is no doubt why they are in the business. Most have happy and long-lasting relationships with their authors, providing us with a remarkable variety of books, written and published by talented and skilled people.

Yours sincerely,
CLIVE BRADLEY,
Chief Executive,
The Publishers Association,
19 Bedford Square, WC1,
October 27.

Stern before December, 1941, when the Sternists tried to send Nathan Yalin-Mor to Turkey to contact the German ambassador there with the same proposal: that they be allowed to ally themselves to the Third Reich.

After Stern's death in February, 1942, Shamir served as operations commander in the triumvirate that took over the organization. At his side were Israel Scheib-Eldad, and after his escape, Nathan Yalin-Mor. May I suggest that Shamir is primarily deceiving himself, that he cannot now face the reality that he was then a leader of a group of pro-Nazi Jews?

Respectfully,
LENNI BRENNER,
c/o Croon Helm Ltd,
Provent House,
Burrell Row,
Beckenham,
Kent,
October 21.

own recent headline (October 18): "British is best at world's biggest book jamboree".

Miss Weldon obviously believes that author and publishers' staff, get a raw deal, but most authors are represented by professional negotiators, their literary agents, who are as able to drive a good bargain as any publisher; no one is forced to sign a contract on terms they don't like, and there are hundreds of publishers anxious to attract good writers.

This is not the unbalanced relationship described by Miss Weldon, in which there is continuous animosity. It is one in which success demands a partnership of complex talents and a matching of skills.

Of course publishers lack perfection. Many have their own literary foibles, which is no doubt why they are in the business. Most have happy and long-lasting relationships with their authors, providing us with a remarkable variety of books, written and published by talented and skilled people.

Getting round law on intervention

From Lord Home of The Hirsel

Sir, In the welter of words which have been written and spoken on the subject of the breach by the United States of the clause of the Charter which forbids intervention by one country in the affairs of another there is one question which the critical have never answered. When a small and sovereign country finds itself subverted by communists, and about to be overborne by force, where can it go to preserve its independence?

The only practical answer available may be to a powerful, friendly nation which is willing and has the power to respond.

Grenada found such neighbours in Jamaica, Barbados and the United States who answered the call. The result was that they were denounced by liberal opinion for breaching the UN rules.

I am suggesting that international law is immature and defective in this important area of relations between nations. Perhaps that is inevitable so long as Russia and a few countries which follow her instructions are ready to deal in subversion and takeover.

Is it not a little hard to blame the potential victim and the rescuer until the law is reformed?

The reaction of your learned readers would be interesting. Yours sincerely,
HOME,
House of Lords,
November 2.

Control of money

From Sir Alan Neale

Sir, What an odd assertion by Professor Michael Beensstock in Economic Notebook (November 2) that Mo is "controllable down to the last penny". If ever a monetary magnitude was totally determined, this is it. Does the professor really suppose that in periods of heavy spending, like the run-up to Christmas or the summer holidays, the authorities could set a limit to the note issue such that the banks were forced to restrict or ration the public's access to their own deposits? This is a version of monetarism that really would cause riots.

It is less unpalatable to suppose that fluctuations in Mo might be taken as signals of the need to restrict or relax bank credit by changes in interest rates. Even this use of Mo however, would seem to require of the authorities a remarkably detailed and up-to-date knowledge of changes in the public's relative use of cash, cheques and credit cards for settling transactions and of the appropriate seasonal adjustments to apply.

Yours faithfully,
ALAN NEALE,
95 Swains Lane, N6,
November 2.

No racism at LT

From the Chairman of London Transport

Sir, Remarks attributed to Mr Ken Livingstone, Leader of the Greater London Council, in your article (November 3) about our disagreement over appointments to the Board of London Transport, do not stand up to analysis.

1. In my letter to the council, which was made available to reporters, I state very clearly that my objection to Mr Amory was on grounds of limited experience and that I would support a suitably qualified person from the black community. I utterly reject the accusation that my objections are racialist.

2. Ms Amory is not "the first appointment ever to be rejected by the LT board". A GLC nominee in July was not acceptable to me, and was withdrawn. He was white. At the same time five nominees put forward by me were rejected by the council.

As to my future, I have made no threat to resign and therefore could not have "refused to elaborate" on the matter. I was not even asked to comment.

Yours faithfully,
K. BRIGHT, Chairman,
London Transport,
55 Broadway, SW1,
November 3.

Church and remarriage

From Mr M. B. Fairbairn

Sir, I would be interested to know what the General Synod (and your paper) mean by being remarried in church.

I understand Christian marriage to be, above all else, making vows before God and before witnesses which are clearly not to be broken.

If being remarried means retaking these vows this must be a mockery of the former vows and of the authority of God.

If, however, it means a service of blessing, this should be supported, for surely Christ came to forgive and encourage those who have failed, innocent or guilty, in marriage or in any other situation.

Yours faithfully,
M. B. FAIRBAIRN,
c/o Southmoor Road,
Oxford,
October 31.

Cut to size

From Mrs M. J. Holman

Sir, I noticed this sign outside an establishment in Union Street, Plymouth: "Ladies & Gentlemen - alterations and renovations".

THE ARTS

Cinema
Visionary brilliance
and bafflement

Nostalgia (15)

Lumière

Exposed (15)

Cinecenta, Pantan Street

The Toy (PG)

Classics Haymarket, Oxford Street

Order of Death (18)

Classic Oxford Street

Little Ida (PG)

Minema

Oliver Twist (PG)

Classics Haymarket, Oxford Street

Paradoxically, the Soviet Union, traditionally dedicated to the aesthetic dogma of "socialist realism", has produced the cinema's two greatest visionaries, Sergei Parajanov and Andrei Tarkovsky. This has been a matter of qualified satisfaction to the film establishment, of course. Parajanov has spent the last decade in prison or otherwise inactive. Tarkovsky's greatest film, *Andrei Rublev*, was kept off the screens for half a dozen years; and he has been chosen to make *Nostalgia*, his newest, most glamorous and least accessible film to date, in Italy.

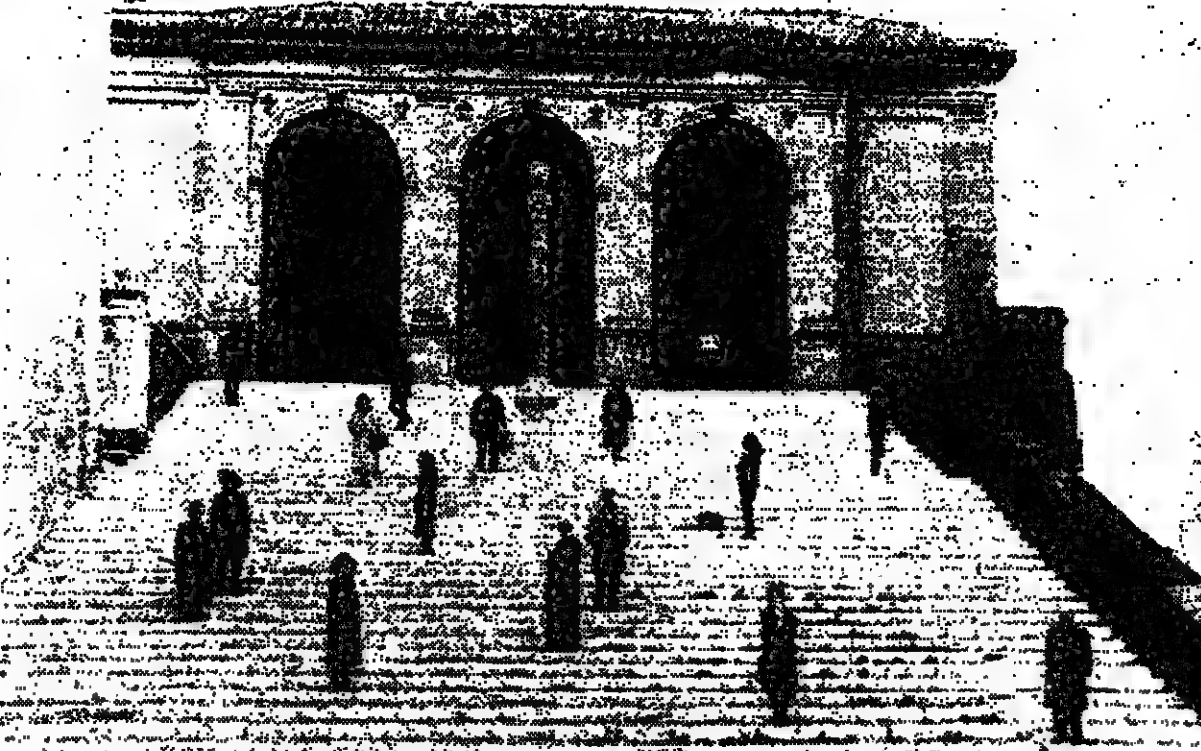
Wherever Tarkovsky may travel, though, he takes his own world with him. The real-life landscapes may be new, as well as the camera staff, the designers and the set decorators, but the imagination is constant. This is the same strange universe as *Solaris* or *Stalker*, with their visions of water and fire. Tarkovsky's people go on their slow-paced pilgrimages, and meet and pause and exchange enigmatic glances and cryptic words, in a familiar no man's land. The cross-light filtered through dust and doorways and misted windows is reflected in puddles polluted by mud and garbage amongst which a vibrant green or brown or blue bottle glitters like a jewel. The eerie silences are broken by the noise of rain.

inexplicable, dyspeptic ooze bubbles, the chink of floss, sighs and breaths, the padding of the ubiquitous dog. A Russian landscape materializes within the ruins of an Italian Gothic church, for in Tarkovsky's visions scale is as unreal as in dreams. It is very wondrous and taking; but the mystery, even more than with *Miror* or *Stalker*, remains: is it simply *mise-en-scène*, or is it something more — poetry indeed? Poetry is unquestionably Tarkovsky's intent, and those of us who do not see it, he says, are boobies. "To understand a work of art one must have a good ear. People who have no ear do not interest me. It is useless to make them go to a concert. They would understand nothing."

None of us wants to seem that kind of booby, not able to penetrate the inner mysteries. Yet the very virtuosity of the staging seems against us, a distraction. Rather than yielding to poetic magic, we find ourselves pondering how they got that white horse to stand so still, or if it is a cut-out. Even the climactic image of the film — in which the protagonists try again and again, before finally succeeding (all in a single technically flawless shot), to carry a lighted candle from one end to the other of the thermal pool at Bagno Vignoni — is inclined to leave us less sensitive to its spiritual content than speculating how many takes it required and if they really planned how often the flame would gutter.

There is an elemental anecdote to explain the presence and progress of this Russian (Oleg Yankovsky) in Tarkovsky's dream Italy. He is a poet, endeavouring to trace the steps of a Russian composer who came here two centuries before. The investigation becomes a spiritual quest, in which he encounters two opposites: his translator Eugenia (Domiziana Giordano), impatient, realistic, optimistic; and Domenico (Erlend Josephson), a wise madman driven to suicide by his vision of man's folly.

There is a theme, though Tarkovsky insistently discourages interpretation of his films. "Nostalgia" signifies for him "The echo of my suffering, because I am far from my country... an illness because it removes strength from the spirit... it can even be mortal. It is a moral suffering of the spirit. One only contracts this disease abroad. If I go to another part of Russia, I can feel sadness but not 'nostalgia'." At one moment in the film the feeling is

New setting, but constant imagination: Tarkovsky's spiritual quest in *Nostalgia*

expressed with startling earliness, in a Russian joke (which also turns up as a Hungarian joke, a Polish joke, et al) about the man who is pulled out of a stinking pool only to protest "But it's my home". Tarkovsky's own nostalgia is something much more complex: all his immediate plans involve working abroad, including the *Boris Godunov* seen at Covent Garden this week. The enigma is whether *Nostalgia*, visually seductive and forbiddingly obscure, signifies more or less.

Tarkovsky is concerned with nostalgia for home; James Toback with the American yearning for abroad. In *Exposed* Toback self-consciously pursues the illusion of a "European" style, though his story would do as well for a home-bred thriller. Nastassia Kinski is a Mid-West farmer's daughter who passes swiftly from pillar to post, from one authoritative male to another, from being waitress to star fashion model and ultimately to involvement with terrorism. It all ends in a shoot-out that aspires to the romantic fatalism of the French movies we have all loved.

"Never pose — never, never pose" the English fashion photographer (Ian McShane) exhorts Kinski; but Toback's people pose all the time. They act in a queer self-conscious way, which makes Rudolph Nureyev look the silliest, though Harvey Keitel in a Hitler moustache runs him close. They speak in high-pressure stylized dialogue ("If my life ends because of

you, that's what was meant to be"). They drop the best names in culture — Goethe, Garbo, Bach, Bosch, Heifetz and Dostoevsky. Toback is a natural for cultists.

Hollywood is also led astray by European culture of a sort in *The Toy*, adapted from an old film by Jean Veber which may have been all right in French but looks pretty silly in an American setting. There is nothing wrong with the idea — a spoiled, unloved rich child is given the pick of his father's huge department store and chooses as his present a black employee — but the script has no idea what to do with it, and finally resorts to custard pies. Richard Pryor wisely gives up trying to make sense of the character and just does anything funny that comes into his head, whether it is knockabout, one-liners or whimpering like Stan Laurel. The director was Richard Donner.

Order of Death, an Italian film made in English in New York by an Italian writer-director, Roberto Faenza, overplots a promising idea (from a novel by Hugh Fleewood). A corrupt, crazy and sexually ambiguous cop encounters a crazy, gully-ridden and sexually ambiguous youth who engages him in a destructive contest of ascendancy. The film provides yet another bizarre and violent role for Harvey Keitel, though the interest centres more on the acting debut of the punk star Johnny Rotten, now reformed as John Lydon, as the psychotic boy, a

saucer-eyed, pot-bellied, loose-lipped heap of malice.

Little Ida (*Lien Ida*) is a welcome return to sane if sad realism. It is the recreation of a wartime childhood. Little Ida's mother works for the Germans as a cook in a prisoner-of-war camp for Russians, in 1944 Norway. In this backwoods community, both children and grown-ups take out their resentments on the innocent, good-natured, lonely child (played with touching plainness by Sunniva Lindekleiv). Laila Mikkelsen, who scripted the film in collaboration with the original author, Mari Paulsen, treats the subject with simplicity, quiet skill and restraint. The period is eerily well recreated; the cruelty and pathos are present, but never melodramatic or mawkish.

When a startlingly well scrubbed and coiffured Oliver (Richard Charles) asks for more, not for himself but for an even hungrier child, we know that we are in for a new reading in Clive Donner's made-for-television-and-doesn't-it-look-like *Oliver Twist*. In fact the tendency of James Goldman's script is to concentrate on the creaky plot mechanics of the original at the expense of character, which is sketchy and obvious apart from George Scott's rather too likable Fagin and Cherie Lunghi's touching Nancy. The cobbled streets of London are almost impassable for drunks, pickpockets, tarts, cars, street-criers and other obtrusive "period" details.

David Robinson

Television

Lurking in the shade

Disablement, said Ian Dury in the course of last night's Channel 4 profile, is a great equalizer. He was talking about the cripples' school he once attended, where "if you fell over, the law was nobody was allowed to pick you up, so you'd have turtles lying there for an hour. It toughened you up."

Water, the great friendly element, is an equalizer of another sort. Perfect bodies, when seen through it, seem stunted and twisted, so when a stunted and twisted body like Dury's is seen rolling and kicking and turning beneath its agitated surface the effect is paradoxically one of normality. This was one of the bold, clever touches which helped make Ian Dury, by Franco Rosso, a film which will be hard to forget.

His first half was devoted to Dury the pop star, and to his ambivalent feelings about success. Until the age of 36 he had been content. "I felt I was a dirty little pig and I was quite happy about it." Then, suddenly, he became a household name. "I felt like a piece of Tupperware, like I'd become ordinary, like I'd become plastic." It was certainly fun, even if "Hit me with your rhythm stick" ushered in a

period during which, as a mogul, he had to spend more energy on industrial relations than he could on further creation.

Talking urgently from the blue depths of his studio, withered arm invisible, he said he had come to dislike fame and popularity. "I like being a lurk. I like being in the shade. I like being naughty." How he envied Johnny Rotten's capacity to spit in the public's eye. Now he is happy again, lurking in the shade and wrestling with more of those wistful, contagiously infantile lyrics, doggerel with a visionary brightness.

As a tiny lad he had wanted to be a medical missionary, and in a curious way he is now realizing that ambition, not only through his anti-war, pro-dropout songs but also in a practical manner. We watched him encouraging a class of disabled children in Bethnal Green, and getting them drumming too.

Incidentally, "I play drums for writing lyrics with. Every lyric has an exact, precise tempo". That message might usefully be pinned over the portals of the Poetry Society.

Michael Church

Sheridan Morley introduces an unusual
new series beginning next week

Distant relations

Situated somewhere halfway from *Boys from the Blackstuff* to a latter-day *Colditz* story, Central Television's *Auf Wiedersehen, Pet*, which starts a three-month run on ITV today, is likely to come as a surprise even to close scrutineers of television form. Though written by Dick Clement and Ian La Frenais and set on a building site amid a group of often jokey brickeys, this is not in fact a situation comedy at all: rather it is a series of 13 hour-long dramas located in present-day Germany. The original idea for it came back in 1977, as the producer Martin McKend explains:

"In that year the film director Franc Roddam, who did *Quadrophobia*, happened to go back to his home village near Stockton-on-Tees only to find that a lot of the lads he'd grown up with were no longer there — they were in Germany, working on building sites as bricklayers and carpenters. The unemployment figures were just starting to go up badly over here, but there a lot of work was still available and these lads, many of whom had never been abroad in their lives, arrived expecting to find the Germany they'd seen in war films. Which was just as well, considering they were then sent to live in builders' huts which had a lot in common with Stalag 17."

Roddam took the idea to Dick Clement and Ian La Frenais, whose track record in television ranged from *Porridge* to *The Likely Lads*; they originally saw it as a two-hour television movie, and went with that project to Central Television who persuaded them to expand it into a 13-hour series. Along the way, something more serious than jokes about German brickeys in German territory began to emerge.

"This," says McKend, "is very definitely a drama rather than a comedy series, and underlying it all is the unemployment situation in Britain. The reason these guys have to go to Germany is because there's no work for them in Newcastle; mind you, there's no work for them in Germany any more either. If we had started on this series now rather than two years ago we'd be making it in Saudi Arabia, which is where the brickeys have to go if they want to work today. But it's also a series about the insularity of the British abroad, blokes living in prison-bus conditions on German building sites unable to relate to anything or anybody around them. There are conscious echoes of the war-camp mentality: most Britons still think of Germany in Colditz

terms, and here are these brickeys being ordered about in a foreign language by blokes in tin hats. Not a lot changes."

Auf Wiedersehen, Pet was shot over 18 months on the back lot at Elstree and on location in Germany; McKend and his directors (Roger Bamford and Baz Taylor) started to form a permanent company of largely unknown Georgies by going to Newcastle and asking to see everyone on the local Equity union registers.

"We got people from local bands, theatre-in-education groups, all we asked was that they should be already well-known television faces. One of our three leads, Jimmy Nail who plays Oz, was a singer in a heavy rock group who happened to have done two years on a German building site; another (Pat Roach who plays Bomber) was a professional wrestler; and probably the only familiar face, Tim Spall, came to us straight from the RSC's *Nicholas Nickleby*. They're a very mixed group, but we had them at Elstree for a month building bricks on the set, and we were going to use, and they very quickly got used to the work."

"There were forty thousand Britons working in Germany in 1980, which is when the stories are set, and these are the stories of some of them — the ones who couldn't wait to go home and the ones who could never go home. But where *Boys from the Blackstuff* was a story of total pessimism about people out of work, what we've got is a story of occasional optimism about people in work."

CATE BLOOMSBURY
"One of the greatest artists that the cinema has produced... His finest film..."
"There is genius" — *Observer* (1983)
A Film by TONY RAYNS
TOKYO STORY
"Brilliantly orchestrated... this is one of his masterpieces"
— *Observer* (1983)
"Extraordinary... fabulous clarity"
— *Observer* (1983)
CATE BLOOMSBURY
01 628 8795/838 8891

FOR THE FIRST TIME
IN A 35mm COLOUR PRINT
THE SUPPRESSED
RUSSIAN MASTERPIECE
The Colour of Pomegranates
Directed by Sergo Paradjanov
"The film is a masterpiece — and as such is indestructible."
— Tony Rayns CITY LIMITS
NOW SHOWING
Progs. 2.20, 4.30, 6.40, 8.55
CAMDEN PLAZA
485 2643 OPPOSITE CAMDEN TOWN TUBE STATION

'MAGNIFICENT'
Observer
'BEAUTIFULLY FILMED'
Guardian
'SPECTACULAR' D. Telegraph
'ANOTHER CLASSIC' Illustrated
London News
WE OF THE NEVER NEVER
The Screen on the Hill 1971
ODEON Kennington 082 6644

DAVID EDGAR'S MAGNIFICENT
new play
SPECTACULAR
superbly acted...
exhilarating theatre
An outstanding play
for our times. SEE IT!
Returns 21-22 Nov.
Barbican Theatre

Opera
Giustino
Sadler's Wells

Giustino is the particular form of the Handel opera that the Handel Opera Society has chosen to launch its annual short season in Islington. It is one of the least regarded examples of the species: indeed, there can be few others that this society has not hitherto performed. But with the virtues of stout singing in all the principal roles, and with cunning designs that provide a geometric pomp in the blaze of rich costumes against open grid patterns, it is a tolerable entertainment.

Ostensibly the subject is taken from the early history of Justin I, who was emperor at Constantinople in the early sixth century. There is, however, nothing really Byzantine about the piece. Although the action is taking place two centuries after the conversion of Constantine, the protagonist still calls on Morpheus to grant him sleep, during which he has a dream vision of Fortuna. Moreover, the characters walk freely from the pages of Handel's other classical operas. *Giustino* is the Noble Hero, striding through valorous deeds a selfless path to acceptance as the heir to the eastern purple. Anastasio, the reigning emperor, is the Clement Prince, as weak as such creatures normally are, and his empress Arianna is the Constant Queen, preferring death to dishonour and accepting defamation with dignity. There is also one Amanzio as the Traitorous General and Vitaliano as the Good Enemy.

The stylized nature of the opera is well recognized in Johan Engel's costumes, which are all baroque antique: plumed helmets, gold cuirasses and much drapery, registering moral status in the simplest of terms by keeping the too-good-to-be-true imperial couple in the purity of scarlet and white, while the



James Bowman's radiant Giustino

more tainted, and I fear, interesting figures of Amanzio and Vitaliano are dressed in black. Robin Don's cardboard cut-outs lend all the necessary scenery in a similarly elementary manner.

Christopher Renshaw's production abandons the chorus to statueque posing and is enlivened principally by the soloists' need to avoid collision with the many gauze drops that come and go.

Among the soloists, James Bowman is in radiant and fetching voice as Giustino. He sounds particularly fresh in his first scene, the one where he turns from the plough to the sword at Fortuna's inspiration, and he also makes much of a lilting aria near the start of the third act, where he obeys figure the image of gentle zephyrs. Eiddwen Harray as Anastasio and Wendy Eathorne as Arianna

London debuts
Wit and poetry

transparent textures and its carefully contrived timbres.

In the second half Miss Wu came out with an entirely different spirit, tearing through Chopin's *F minor Ballade* and Liszt's dazzling *First Mephisto Waltz* with surprising vitality and power. But it was Bartok who was the major beneficiary of this new approach. In his *Out of Doors* suite her superb technique combined with aggression, wit and poetry to make the cycle newly rewarding.

The violin and piano duo of Paul Manley and Ian Ledingham showed no hint of tentativeness. In fact if their recital had one major fault it was that

everything was delivered with such supreme confidence and gloss that sometimes the meaning behind the notes was forgotten. Such, anyhow, was my feeling in their sugar-coated readings of Beethoven's "Spring" Sonata and Mozart's *E minor Sonata*, K304.

They were more successful in Brahms' *Stravinsky* and Ravel's Brahms's "FAE" Scherzo made an arresting start to the evening, showing off Mr. Manley's undoubted virtuosity to the full, although he was more severely tested by Ravel's *Tzigane*. Stravinsky's *Duo concertant* revealed a welcome sympathy from both players for the composer's refined neo-classical expression. Try though they might, neither could do much for the first performance of Roger Steptoe's *First Violin Sonata*, a bland attempt at combining an eighteenth-century aesthetic with a contemporary one.

Stephen Pettitt

Theatre
Verge of madnessHamlet
Royal Exchange,
Manchester

It is some time since we had a modern-dress *Hamlet* but Brahms Murray's production goes a stage further by putting it into rehearsal clothes. The shirts, pullovers and slacks give no indication of social status, the bare boards suggest no kind of locale and a harsh neon glare precludes any possibility of atmosphere.

In short, nothing has been left undone to deprive the cast of every kind of support from context. All the political parts of the play are shorn away, including every reference to Fortinbras: how many decades is it since a performance ended on "and flights of angels sing thee to thy rest"? In addition, the First Quarto has been plundered for its transposition of the nunnery scene and for a sundry unfamiliar readings and cuts. A programme note bids the audience forget its prior knowledge, but with no costumes and no battlements the first scene would mystify any novice and the playing of Claudius and the Ghost by the same actor would only compound the confusion.

The production does not pretend to work on any consistent plane. Seeing men in cord jeans and sneakers snatch up swords, I constantly ex-

pected the director to rush on calling for one more run-through before the coffee break. They never cease to be actors, spending most of their offstage time sitting out front with the audience. Polonius is murdered in a second-row aisle seat and has to stagger on stage to die.

The cast have no chance, really, but Robert Lindsay's dark-eyed, softly-spoken Hamlet comes through well: too many lachrymose facial contortions, perhaps, but he reads a beautifully fine line between sanity and madness, alarming his visitors (and us) at one point by a slow, deranged backward shuffle. Claudius (Philip Madoe) has no retinue but makes a very polished operator whose midnight self-doubts are a pleasantly ugly spectacle.

The players' dumb show is staged in Derek Griffiths' mime as uproarious farce, too entertaining for the royal couple to see the point of the play's brilliant idea. Polonius (Derek Smith) exchanges his sudead-faced cardigan for a corduroy cap and stupid old gaffer's manner to reappear as Oric. Gertrude (Alison Fiske), intense and intelligent up to Ophelia's mad scene (Geraldine Alexander singing the blues), presently reports the girl's death in the placid tones of *Listen with Mother*. Had she gone mad too? She had every reason.

Anthony Masters

Concert

Philharmonia/Muti
Festival Hall

No doubt Beethoven was reckoned to be a good substitute for Dvorak on Wednesday, when the concerto had to be changed in the Philharmonia Orchestra's programme after Anne-Sophie Mutter suffered an accident to her leg. She has been advised to rest for a month, and it was Radu Lupu who stepped in, two nights after his previous appearance with the same orchestra, and this time gave one of those magically relaxed performances of Beethoven's Piano Concerto No 4.

He seldom played above a modest dynamic level except for purposes of emphasis, or to enlarge a lyrical theme here and there, preferring to brood quietly on the fanciful spirit of the music in the first two movements and even to introduce an unexpectedly melting phrase in the lively finale. The cadenzas had a suitably improvisatory approach, and the reasoned dialogue of the slow movement worked like a charm.

Riccardo Muti drew mainly sober support from the orchestra, with a very measured pulse at the outset, but always alert to the concerto's poetic turns of

phrase. He began the concert with two works of symphonic aspiration. Wagner's *A Faust Overture* was vigorous and dramatic, to the extent that it tempted speculation whether the intended symphony might not have turned into an opera if Wagner had pursued it.

Hindemith's Concert Music for strings and brass, sometimes called his "Boston Symphony" after the orchestra for whom he wrote it, was played with an almost jovial spirit to temper its serious character. The orchestra's brass choir was welded firmly together as virtual concert soloists, but in the fugue give-and-take of the second part the flexibility of the strings achieved a satisfying balance.

Noël Goodwin

African music
Chief Ebenezer Obey
Hammersmith Palais

Ebenezer Obey and his 18-piece band are masterful exponents of African juju music, a rolling percussive style that is characterized by rich natural rhythms combined with sweet electric guitars and joyful, funky harmonies. Like his Nigerian compatriot and chart rival King Sunny Ade, whose own shows were such a revelation earlier this year, Obey directs the proceedings from the core. His lead guitar melodies are embellished by a backline that includes two bass guitars, Hawaiian strings and talking drums. Despite the emphasis on a positive dance beat Obey's troops are immaculately orchestrated and choreographed, belying the large instrumental set-up with an approach that is as deft as it is insistent. Responding to their sound was an easy pleasure.

Obey has recently secured an English recording deal and he is such a prolific composer that he could call on material from more than 80 albums. The band began with a layered melody of "Eyi Rato" and "Ambition", drawing the audience into an extraordinary melting-pot of music.

One minute Obey was singing about civil war and class struggle, the next about the cost of groceries and the need for a road safety code. His basic ethos is more religious than political but there was nothing heavy-handed about "What God Has Joined Together", "Celebration" or "Singing for the People". He has described his music as the Mili system, which is roughly translated as enjoyment. Obey and his band certainly live up to the definition.

Max Bell

SHERIDAN'S MUSICAL COMEDY
THE DUENNA
ALL SEATS £2.50
Box Office 01-828 6363

David Butler on
"Brilliant...
Bravo."
DAILY MAIL
NOW SHOWING
WOODY ALLEN
MIA FARROW
PG
WARNER WEST END
LONDON 30 428 0791
ABC FULHAM 370 2636
GAT BRISBANTON 837 8402
CLASSIC OXFORD ST 018 0210
SCREEN ON THE GREEN ISLINGTON 226 3620

'MAGNIFICENT'
Observer
'BEAUTIFULLY FILMED'
Guardian
'SPECTACULAR' D. Telegraph
'ANOTHER CLASSIC' Illustrated
London News
WE OF THE NEVER NEVER
The Screen on the Hill 1971
ODEON Kennington 082 6644

group, found further support in first-time dealings, opening at 233p compared with the striking price of 220p and valuing the company at £77m. Brokers Hoare Govett offered the 10.4 million shares at a minimum tender price of 140p and must have been pleased with the response to the issue, which was more than seventimes oversubscribed. The shares ended the day at 228p, a premium of 8p.

now own a total of 885,000 shares, all bought in recent months.

Inchcape, the international trading group, has formed a subsidiary company, Inchcape Aviation, which effectively

subsidiary company, Incheape Aviation, which effectively places Incheape's worldwide

loss-making garage group where Mr Jim Gregory has a 10 per cent shareholding. The shares rose 6p to 83p yesterday but a

rose up to \$35 yesterday but a spokesman said he had no knowledge of any bid.

Among the newcomers, Michael Peters, the design consultant, made an impressive start to dealings on the USM

Logia, Britain's largest independent computer software

			Gross Div Yld		1982/83 High L
	Price	Ch'ge	pence	% P/E	
£	38				
	182	+2	11.3	11.1	4.3
	156		8.6	8.3	9.7
					T-1

5	174	1
28	183	2
68	166	1
127	108	4
237	34	1
188	25	1
140	74	1
98	482	18

192	1.4	3.5	11.7	363
41	1.4	3.5	11.7	608
192	17.18	8.9	11.4	85
130 ₇	10.08	7.7	7.3	84
86	7.0	8.1	7.4	240
168	8.6	5.1	10.8	175
202	7.5	3.7	9.8	94
132	4.7	3.6	11.7	87
88	7.1	4.2	28.7	121

sons	35	..	4.2	12.0	4.5	39.7
ublish	427	..	12.9	3.1	..	82
331 ₄	..	..	108	3.4	14.3	180
145	..	..	4.3	3.0	..	238
ect	473	..	8.0	1.7	28.2	108
ill 'A'	162	..	12.1	6.8	7.2	358

Zoch	146	..	2.2	8.3	1.3	111	5
	143	..	6.8	4.7	4.8	62	3
Whites	275	+2	6.8	4.7	4.8	317	10
Son	362	+3	11.4	4.2	7.8	196	1
	240	+2	15.0	4.4	8.9	109	2
nd	63	..	16.9	7.1	7.4	303	1
	16	..	2.7	4.3	9.7	128	1
try	88	..	5.4	6.0	7.5		

54	173	0.8	2.4	18.8	345	17
55	174	575	7.2		100	2
56	175	44.9	4.7	16.6	115	8
57	138	7.5	4.8	9.7	868	55
58	150	7.5	5.0	9.1	334	1
59	230	15.0	6.3	8.3	238	10
60	336	8.2	2.4	19.9	162	10
61	206	4.7	2.3	18.7	249	17
62					493	28

1934	+4	3.3h	1.7	20.1	140	5
193					445	1
194	+2	25.7	1.0	20.6	173	7
583		22.9	3.9	13.7	61	2
150	-3	5.4	3.6	6.7	248	13
236	..	20.4h	3.8	11.2	113	3
66		5.0	7.6	20.9	113	6
221	+3	10.8	4.8	12.4	68	4

em	600	+13	26.7	4.4	5.8	62	3
Hotels	125	..	3.8	2.9	12.0	121	3
ary	136	..	4.9	3.9	17.7	127	3
312			147	47	17.8	98	7
33			1.0	5.8	11.0	25	1
44			2.1	4.7		223	13
79			4.4	8.8	7.8	188	14
206			3.8	1.9	15.8	106	
188							

189	-1	11.4	8.1	17.9	108
69	-2	5.5	8.0	8.3	64
41	+1	3.3	8.0	..	63
32	..	0.4	1.1	..	56
376	+6	15.1	4.0	15.1	156
aima 413	+8	18.9	3.9	12.7	130
at 90	..	..	..	3.9	693
254	-7	11.5	4.5	16.4	654
enan 13	..	..	..	..	..

155		7.1	4.6	15.0	12
134	+3	7.1	5.3	12.0	139
41		0.1	0.3		160
346	+2	21.4	6.3	9.4	345
167	-12				218
21					113
Grp	+6	3.4	2.1	25.9	457
64				55.8	190

P	145	..	9.3	8.4	10.3	1474
	100	..	3.6	3.0	12.4	626
Standard	143	-10	8.6	6.0	16.0	28
Corp	20	..	3.5	5.8	8.1	300
	62	..	0.1	0.7	0.7	92
Conv	14	..	7.0	8.9	2.5	
l. B.	263	-3				
	110	-1				

	67	..	5.0	7.5	6.1	
K	163	..				168
Sec	29	..	0.9	3.3	5.2	32
Kac	212	..	13.0	8.1	0.7	48
ois	170	-1	10.0	5.9	44.0	14
	308	-2	12.3	4.0	25.6	114
ent	88	+1 ₁	8.0	8.2	8.8	95
	124	-2	8.0	6.5	8.3	785

213	+4	62.4	4.8	4.9	188	35
529		9.0	1.7	23.4	84	5
428	+5	7.7	1.8	19.9	175 ₂	9
250	-3	13.2	5.3	7.3	716	31
121	+2	8.9	7.4	61.9	79	3
48					20	3
264	-2	10.9	4.1	11.3	58	3
443	+3	24.3	8.8	11.4	373	31

74		8.0	6.8	5.3	355
108	+2	10.5	9.9	6.8	341
116 ₂	+3	35.7	1.6	5.9	514
84 ₂	+2	3.0	3.6	17.9	60
264	+2	1.9	0.7	42.9	435
244	-2	1.9	0.8	39.7	445
294	-3	3.6	1.2	37.3	436
264	-5	3.6	1.4	24.5	57

134	0.0	0.2	188	130
394	2.1	6.6	56	70
354	12.1	5.4	160	70
72	3.6	5.0		
353	18.9	5.3		
111	3.6	3.3		
567	7.5	13.3		
388	17.1	4.3		
149	1.6	2.3		

129		0.8	3.7	17.2	641	4
130	+4	4.3	3.3	16.7	16	13
26	+1	0.9	3.3	16.8	426	256
398		15.7	3.9	11.2	174	123
112		5.3	4.7	15.9	582	306
50					788	374
40	+1				478	275
695		0.1m		43.9	546	262
156		7.1	4.6	12.4	622	

49	+2	0.0	7.1	7.9	24.3	330	250
90		7.1	7.9	24.3		131	75
75 ₁	+2	2.6	3.4	13.0		508	207
364	+2	9.6	3.7	20.4		35 ₂	
48		1.4	2.9	41.9		428	218
398		17.1	4.5	8.9		301	168
203		10.0 ₀	4.9	31.6		30 ₁	15
130	+2	2.9 ₀	2.2	16.4		153	88

38 ₁	f	..	..	..	741	356
57				18.7	373	216
23	on	19.0	4.4	12.7	498	221
250	+2	5.0b	2.0	29.6	416	230
30				13.4	566	323
73	+1	2.9b	3.9	..	254	146
'A' 130 ₁				..	125	89
				..	283	108

3 months
0.23-0.38c disc
par-0.10c disc
2-3c norm

3-12c prem	75	43
3-12c disc	478	268
708-822core disc	88	57
104-117p disc	202	128
3-3pf prem	57	42
560-1150c disc	370	201
710-795c disc	114	59
47-49r disc	320	178
1257-1334core disc	142	65

114-124c disc	108	50
903-882ore disc	130	71
2-47-2-28y prem	118	76
23-17ore prem	100	51
4-33c prem	87	47
	161	91
	24	14
	261	180

1.6208-1.6355	64	37
0.9590-0.9620	78	78
8.4550-8.4950	63	35
139.75-141.75	418	248
11.5655-11.6365	652	228
	410	145
	350	238
	402	310
	151	151

8.4320-8.4330	278	190
3.4735-3.5035	304	140
230.00-255.00	223	91
2.3420-2.2820	98	58
5.1615-5.1915	83	45
3.1800-3.1900	215	104
1.7065-1.7215	190	103
	79	42

Spot Rates	
1.1725-1.1732	154 101
1.2327-1.2330	210 116
2.9700-2.9710	245 83
53.85-53.90	410 196
9.5475-9.5575	162 103
2.6500-2.6510	228 99
	384 151
	380 144
	911 53

129.25-129.25	245	148
133.40-133.40	131	179
1606.50-1607.50	211	138
7.4050-7.4100	88 ²	57
8.0600-8.0630	668	268
7.8483-7.8535	426	266
233.90-234.00	420	245
18.84-18.85	120	87

Deposits

0; Seven days. 9 1/4-8 1/2.	182	96
1-3; 1-3 months. 9 1/4-8 1/2.	182	96
4-6; 3-6 months. 9 1/4-8 1/2.	182	96
7-9; 6-9 months. 9 1/4-8 1/2.	182	96
10-12; 9-12 months. 9 1/4-8 1/2.	182	96
13-15; 12-15 months. 9 1/4-8 1/2.	182	96
16-18; 15-18 months. 9 1/4-8 1/2.	182	96
19-21; 18-21 months. 9 1/4-8 1/2.	182	96
22-24; 21-24 months. 9 1/4-8 1/2.	182	96
25-27; 24-27 months. 9 1/4-8 1/2.	182	96
28-30; 27-30 months. 9 1/4-8 1/2.	182	96
31-33; 30-33 months. 9 1/4-8 1/2.	182	96
34-36; 33-36 months. 9 1/4-8 1/2.	182	96
37-39; 36-39 months. 9 1/4-8 1/2.	182	96
40-42; 39-42 months. 9 1/4-8 1/2.	182	96
43-45; 42-45 months. 9 1/4-8 1/2.	182	96
46-48; 45-48 months. 9 1/4-8 1/2.	182	96
49-51; 48-51 months. 9 1/4-8 1/2.	182	96
52-54; 51-54 months. 9 1/4-8 1/2.	182	96
55-57; 54-57 months. 9 1/4-8 1/2.	182	96
58-60; 57-60 months. 9 1/4-8 1/2.	182	96
61-63; 60-63 months. 9 1/4-8 1/2.	182	96
64-66; 63-66 months. 9 1/4-8 1/2.	182	96
67-69; 66-69 months. 9 1/4-8 1/2.	182	96
70-72; 69-72 months. 9 1/4-8 1/2.	182	96
73-75; 72-75 months. 9 1/4-8 1/2.	182	96
76-78; 75-78 months. 9 1/4-8 1/2.	182	96
79-81; 78-81 months. 9 1/4-8 1/2.	182	96
82-84; 81-84 months. 9 1/4-8 1/2.	182	96
85-87; 84-87 months. 9 1/4-8 1/2.	182	96
88-90; 87-90 months. 9 1/4-8 1/2.	182	96
91-93; 90-93 months. 9 1/4-8 1/2.	182	96
94-96; 93-96 months. 9 1/4-8 1/2.	182	96
97-99; 96-99 months. 9 1/4-8 1/2.	182	96
100-102; 99-102 months. 9 1/4-8 1/2.	182	96
103-105; 102-105 months. 9 1/4-8 1/2.	182	96
106-108; 105-108 months. 9 1/4-8 1/2.	182	96
109-111; 108-111 months. 9 1/4-8 1/2.	182	96
112-114; 111-114 months. 9 1/4-8 1/2.	182	96
115-117; 114-117 months. 9 1/4-8 1/2.	182	96
118-120; 117-120 months. 9 1/4-8 1/2.	182	96
121-123; 120-123 months. 9 1/4-8 1/2.	182	96
124-126; 123-126 months. 9 1/4-8 1/2.	182	96
127-129; 126-129 months. 9 1/4-8 1/2.	182	96
130-132; 129-132 months. 9 1/4-8 1/2.	182	96
133-135; 132-135 months. 9 1/4-8 1/2.	182	96
136-138; 135-138 months. 9 1/4-8 1/2.	182	96
139-141; 138-141 months. 9 1/4-8 1/2.	182	96
142-144; 141-144 months. 9 1/4-8 1/2.	182	96
145-147; 144-147 months. 9 1/4-8 1/2.	182	96
148-150; 147-150 months. 9 1/4-8 1/2.	182	96
151-153; 150-153 months. 9 1/4-8 1/2.	182	96
154-156; 153-156 months. 9 1/4-8 1/2.	182	96
157-159; 156-159 months. 9 1/4-8 1/2.	182	96
160-162; 159-162 months. 9 1/4-8 1/2.	182	96
163-165; 162-165 months. 9 1/4-8 1/2.	182	96
166-168; 165-168 months. 9 1/4-8 1/2.	182	96
169-171; 168-171 months. 9 1/4-8 1/2.	182	96
172-174; 171-174 months. 9 1/4-8 1/2.	182	96
175-177; 174-177 months. 9 1/4-8 1/2.	182	96
178-180; 177-180 months. 9 1/4-8 1/2.	182	96
181-183; 180-183 months. 9 1/4-8 1/2.	182	96
184-186; 183-186 months. 9 1/4-8 1/2.	182	96
187-189; 186-189 months. 9 1/4-8 1/2.	182	96
190-192; 189-192 months. 9 1/4-8 1/2.	182	96
193-195; 192-195 months. 9 1/4-8 1/2.	182	96
196-198; 195-198 months. 9 1/4-8 1/2.	182	96
199-201; 198-201 months. 9 1/4-8 1/2.	182	96
202-204; 201-204 months. 9 1/4-8 1/2.	182	96
205-207; 204-207 months. 9 1/4-8 1/2.	182	96
208-210; 207-210 months. 9 1/4-8 1/2.	182	

we. 5377.50 18233.501
 per coin: 5388.50-590
 (new): 188.5-89.50



--	--

1.

100

silanz to
reply
at week

100

10

1. *Journal of the American Medical Association*, 1990; 263: 1025-1028.

مَكْزَا مِنْ الْأَصْلِ

FINANCE AND INDUSTRY

Executive Editor Kenneth Fleet

Guinnessness not good for merchant banks

The merging of RITN and Charterhouse will bring Mr Jacob Rothschild back into the charmed circle of merchant bankers whose seal is membership of the Accepting Houses Committee. The circle is normally closed and the only way in is through acquisition coupled with Bank of England approval.

Committee status is one reason why Guinness Mahon will not waver away from neglect. Guinness Mahon is part of Guinness Peat Group which yet again is caught up in controversy, as its aggressive single-minded chief executive, Mr Alastair Morton, goes about whipping up the support he needs to acquire the Moorside Trust.

Since his appointment in January last year, Mr Morton has worked as if he were Hercules in the Augean stables. He now offers himself, with some justification, as Mr Clean. Buying Moorside, and investment trust, would tidy up Guinness Peat's balance sheet which, in turn, would become the pad for the new, dynamically directed Guinness Peat of his imagination.

The picture, however, is not as clear as it may appear at first sight. Among Mr Morton's signal achievements was the disposal of Guinness Peat's substantial interest in Telerate for some \$30m (£20.2m), a deal which admittedly he delegated to Mr Peter Dix, then a Guinness Peat director. As history records, within months Telerate was floated on the New York Stock Exchange with a billion dollar price tag.

The second obscure area is the valuation of Guinness Peat in relation to the underwriting price (40p a Guinness Peat share) in the Moorside deal.



Alastair Morton: aggressive

Tax cuts need enterprise

Lord Forte and Mr Walter Goldsmith of the Institute of Directors aptly chose the presentation of the Business Enterprise Award yesterday to make a double call for meaty cuts in income tax.

They are certainly wanted.

The question is where big cuts are going to come from. Britain's heavy unemployment has pushed us above West Germany in the tax league for industrial countries, making us ninth out of 23 OECD countries and the second most heavily taxed among the summit seven. Cutting unemployment to 1½ million might allow a 10 pence cut in the standard rate provided it was not simply bought through higher public spending.

Guinness Peat's net tangible assets, according to the offer document, are £43m, rising to £62m if the takeover is completed. This figure may be acceptable as it stands, but it surely understates the net worth of Guinness Peat shareholders' interest in their company.

Fenchurch Insurance, Guinness Peat's insurance-broker subsidiary which makes £4m pretax, seems hardly to enter the calculation at all. A net asset value of 55p, a Guinness Peat share is reasonable and, therefore, a 40p underwriting price is unreasonable.

The third area of Mr Morton's picture where shareholders deserve enlightenment before they back his latest scheme is senior management. Mr Mark Hoffman, brought from Canada as a key executive alongside Mr Morton, has given up all his executive duties. He remains on the board.

Mr Graham Hill, chairman of Guinness Magon, is widely rumoured to be determined to leave the bank when a suitable successor can be found. The bank's chief executive, Mr Richard Fenhalls, like Mr Hoffman appointed by Mr Morton, has demanded, and has reached, a concordat with Mr Morton which allows him to carry out his job with the freedom from unnecessary interference that it needs. Only the ever-faithful Mr Geoffrey Knight (Fenchurch) seems to rest content.

There is thus plenty of material for questions to be put to Mr Morton and the extraordinarily tame Lord Croom, former Treasury mandarin and now Guinness Peat chairman, at, or indeed before, the November 15 shareholders' meeting.

One thing, however, is beyond dispute: the consummate skill of Mr Morton's public relations.

This has even affected the heart of Barclays Bank. In what has some claim to be the most extraordinary letter written by a senior bank general manager, Mr P. J. Borrett tells Lord Croom of his dismay that the board's bid for Moorside has not commanded universal support. Barclays has no doubt that the Moorside acquisition is essential for Guinness Peat's financial soundness.

For good measure, Mr Borrett adds: "The Board and shareholders' first duty must be to the creditors of the Group, which implies a continuation of its present policies and Management Team."

Perhaps Mr Borrett, too, ought to ask a few supplementary questions before pledging Barclays' honour (as well as its depositors' cash)?

Otherwise, if income tax is to be cut rapidly, we are back to the expedient of juggling with the structure of tax so as to cut marginal tax rates within the same overall tax burden.

The potential here is great as in reducing the dole queues. If the major income reliefs apart from personal allowances were phased out (allowing for the new Inland Revenue calculations on the cost of pension reliefs) then again the standard rate of income tax could be cut to 20 per cent.

The changes would have to be phased over several years. But if we want lower taxes, we must plan for them. Neither ringing declarations, nor control of public spending will do the trick.

Rothschild's RITN in £399m merger with Charterhouse

By Peter Wilson-Smith
Banking Correspondent

A £399m merger between Mr Jacob Rothschild's fast-growing financial services group, RITN and Northern, and the investment and banking company, Charterhouse Group, was unveiled yesterday.

The deal is one of the most significant in the changing financial industry. It will be the first link between a merchant bank and a stockbroker: RITN has a 29.9 per cent stake in J. Rothschild & Aitken and Charterhouse owns the accepting house, Charterhouse Japhet.

Charterhouse's other main financial activity is its development capital interest which spawned Spring Grove among others. RITN has a range of interests, including leasing, life assurance, fund management and a half share in the Northern investment bank, F. Rothschild, Unterberg, Towbin.

RITN shareholders will have 56 per cent of the new holding company, Charterhouse J. Rothschild.

Mr Rothschild has made no secret of the need for size to compete effectively on an international basis in investment banking and financial services. Mr John Hyde, chief executive of Charterhouse, yesterday characterized the deal



Jacob Rothschild: will bring in RITN's flair

as a marriage between Charterhouse's steady conservative management and RITN's flair and deal-making capability.

Shareholders are being offered shares in Charterhouse J. Rothschild on the basis of 227 shares for each 100 in RITN and a straight one-for-one exchange for Charterhouse shareholders.

Charterhouse makes higher profits than RITN - £22.9m pretax in 1982 compared with RITN's £13.4m in the year to end-March.

RITN has been rated more highly by the stock market, and the share-exchange split broadly reflects market values at the time of the announcement.

Shares in both companies rose sharply on the news. RITN gained 33p to 237p where it is valued at £221m, and Charterhouse 13p to 107p, valuing it at £178m.

Both sides insisted that the deal was a genuine merger. However, one stockbroker said yesterday: "One should not underestimate who is going to be running the show. It'll be the new company's chairman (Mr Rothschild)."

Mr Hyde will be chief executive and each company will also provide a deputy-chairman and ten board members.

The Bank of England, which takes a keen interest in developments in the financial markets and the ownership of merchant banks, has been kept in touch throughout the discussions, which lasted for more than two months.

The new grouping will have a firm base in both the London and New York financial markets. But the Far East is a gap in the coverage of each company and is likely to figure prominently in expansion plans.

Mr Hyde said that there would be further sales of Charterhouse's industrial interests, and probably some cash-raising from RITN's £200m investment portfolio to provide funds for expansion in financial services.

RITN is expecting to pay a 4.95p interim dividend for the nine months to December 31. Charterhouse will pay a second interim of 3.375p, together with a special dividend of 1p.

The new company is forecasting dividends of 4.5p for 1984.

Grand Met goes for 'theme' pubs

By Derek Harris
Commercial Editor

Grand Metropolitan's Host Group - the former Chef and Brewer chain of 1,500 managed pubs - is to spend well over £100m over the next three years on converting its outlets to a wide range of theme pubs.

It is the most ambitious scheme yet from the big brewers to widen the appeal of pubs, especially to women and children, many of the outlets being open all day for the sale of food and non-alcoholic drinks.

Some of the refurbished pubs will aim for a traditional English ale house atmosphere, while "beer factories" will concentrate on offering the lowest priced beer in the area.

Others will have a transatlantic or other ethnic flavour. Allied Breweries' Ind Coope southern region is planning a chain of 30 theme pubs and the first is already open. Imperial Group's Courage subsidiary also has several theme pubs open and another half dozen are expected to open within 12 months.

The Host Group is also claiming a new deal for managers at the new-style pubs.

The 4,000 managers and partners in the Host Group were told at a Royal Albert Hall presentation yesterday of the group's plans to give managers shares that will grow in value according to performance.

What could be opening up for the brewers is a new leisure market. The Host House formula for exploiting it is a wide range of outlets from bar cafes and drive-in for motorists to wholehearted health centres and entertainment centres with video and other machines.

WALL STREET Dow lower in mixed trading

New York (AP - Dow Jones) - Stocks continued their mixed trading in moderate trading early yesterday.

The Dow Jones Industrial Average was down about four points at 1,233. But the transportation index was up 1½ points and advancing issues held a 701-to-680 lead over declines.

International Business Machines was down 1½ at 125½; Texas Instruments down 1 at 127½; Teledyne up ½ to 163½; Helene Curtis up ¾ to 54½; Augat up 1½ to 38½; General Motors up ½ to 78; General Electric down ¾ at 52; Sanders Associates down 1½ to 56; Union Pacific down ¾ and Honeywell up ¾ at 127½.

Coleco was 21½, up 1; Digital Equipment 68½, up ¾; Ardyn 38½, up ¾.

Intervention delays results

By Philip Robinson

Intervention Video (Holdings), which came to the Unlisted Securities Market eight months ago, yesterday delayed reporting its results for the 12 months to the end of last June.

The company says its auditors, Stoy Hayward, have yet to complete Intervention's tax provision. The company's results are now due early next week.

Intervention shares, which touched 60p in first dealings last March, eased 1p to 29p yesterday.

Mr Laurence Phillipson, the company secretary and finance director, said last night: "The problem is a number of complications arising from our past tax position. We cannot agree on a figure for capital allowances against previous years' losses. I do not really want to say any more because it might sound critical of Stoy's."

This is the second time in three years that Intervention has experienced problems involving its auditors.

In November 1981, Thorn-

ton Baker resigned as Intervention's auditors after a dispute with the company over accounting principles.

For the six months to the end of last December, Intervention's pretax profits dropped from £437,000 to £420,000 on turnover of £500,000 higher at £3.3m. Profit retained slumped from £143,000 to £40,000 after tax, dividends and a £75,000 payment for loss of office made to a former director.

Last year, the group bought Alpha Films for £1.8m in shares

and the company over accounting principles.

Marks & Spencer

The unaudited results of the Group for the first half of the financial year ending 31st March 1984 are announced as follows: -

	26 weeks ended		52 weeks ended
	1st Oct. 1983	2nd Oct. 1983	31st March 1983
GROUP SALES (excluding VAT and other Sales Taxes)			
United Kingdom Stores			
Clothing	598.8	536.3	1,198.9
Homeware, Footwear and Accessories	100.7	86.1	206.6
Foods	474.4	404.7	870.7
	1,173.9	1,027.1	2,276.2
Overseas stores			
Europe	31.1	25.4	64.4
Canada (Note 2)	64.4	51.2	137.3
	15.7	13.3	27.6
Export sales outside the Group	1,285.1	1,117.0	2,505.5
GROUP PROFIT BEFORE TAXATION			
The United Kingdom (Notes 3 & 4)	104.7	90.1	231.0
Europe (Note 5)	1.4	2.0	3.7
Canada (Note 2)	(5) loss	(1.1) loss	4.6
	105.6	91.0	239.3
TAXATION (Note 6)	48.0	39.6	102.5
GROUP PROFIT AFTER TAXATION	57.6	51.4	136.8
Profit/(Loss) attributable to minority interests	(2)	(4)	1.6
PROFIT ATTRIBUTABLE TO MARKS AND SPENCER p.l.c.	57.8	51.8	135.2
Earnings per share	4.4p	3.9p	10.3p

The Directors have declared an interim dividend of 2.05p per share, compared with 1.85p last year, an increase of 10.8%. This dividend will be paid on 13th January, 1984 to shareholders whose names are on the Register of Members at the close of business on 25th November, 1983.

- Notes on 26 weeks' figures: -
- The figures have been prepared on the historical cost basis of accounting. A summary of these results has not been prepared on the current cost basis of accounting, because the Directors consider that the net adjustment is insignificant in the context of the Group figures.
 - The results of overseas subsidiaries have been consolidated using exchange rates ruling at the end of each period. Because of the current strength of the Canadian dollar, the Canadian exchange rate is materially different from that used last year. Expressed in Canadian dollar terms, compared with the first half last year, sales for the half year increased by 11% (25.8% in sterling terms) and losses reduced by 62% (57% in sterling terms).
 - At the end of each financial year the Directors allocate a proportion of the United Kingdom profits to the employees under the terms of the United Kingdom Employees' Profit Sharing Scheme. A round sum provision has been made against the half year's profit. This is not necessarily one half of the prospective allocation for the full year, which will be determined by the Directors only when the year's profits are known. Last year's profits have been adjusted by one half of last year's actual allocation.
 - To commemorate one hundred years of trading, Marks & Spencer has undertaken a nationwide programme of community projects in addition to its normal charitable giving. The cost of the Centenary projects to the Company is expected to total approximately £3.5 million. One half of the cost has been charged against the half year profits.
 - The European profit has been arrived at after charging £740,000 for pre-opening and other expenses in connection with the opening of Antwerp Store. Last year, European pre-opening expenses amounted to £157,000.
 - The taxation figure for the first half of last year has been adjusted to reflect the actual rate of taxation on the year's profit.
 - The summary of results for the year ended 31st March, 1983 does not constitute the full Financial Statements. The Reports and full Financial Statements for that year were delivered to the Registrar of Companies and the report of the auditors on them was unqualified.

St Michael

NEWS IN BRIEF

Allianz to reply next week

● Allianz Versicherungs will not respond to the rival £796m takeover bid for Eagle Star Holdings by BAT Industries until next week. The Allianz board has to decide whether to match the BAT offer terms of 575p for each Eagle share, or sell its 30 per cent holding in Eagle to BAT at a profit of £110m.

● The world's only legal-tender platinum bullion coin, the Noble, minted by the Isle of Man Government, was launched yesterday. The coin contains one ounce of pure platinum, and has a face value of £10. The first coins were sold yesterday for £270 (£400 each) including a 6 per cent premium but excluding VAT.

● Fitch Lovell, the food group, yesterday re-invested £5.5m of the proceeds of the £44.8m sale of its Keymarkets supermarkets chain to Linfood Holdings, by buying the Turners meat products group in Tunbridge Wells, Kent.

● The Government is to publish monthly estimates of the public-sector borrowing requirement, now released quarterly, Mr Nigel Lawson, the Chancellor, announced in the House of Commons yesterday. The new arrangements will apply from November 16, when the October PSBR will be published.

● Clothing manufacturing S. R. Gent, which is a supplier to Marks & Spencer, has won this year's Business Enterprise Award, whose principal sponsor is the Institute of Directors. Gent, is based in Barnsley and went public in June. It increased profits and jobs by a fifth this year.

● House and flat starts slipped to 17,700 in September, compared with 19,000 in September 1982. Completions totalled 16,200, against 15,500 in 1982.

Pineapple seeks £1.5m

By Wayne Ligt

Mr Michael Ashcroft's Hawley Group is taking a 17.5 per cent stake in Pineapple Dance Studios as a result of Hawley's Procraft financial services subsidiary arranging and underwriting a 5-for-6 Pineapple rights issue.

Pineapple announced the rights issue, at 95p a share, with its full-year profit figures and confirmed the July announcement that it is acquiring a site in New York for a dance hall and keep-fit centre.

Then Pineapple said that it would be investing £650,000 in the project which would cost £2m.

The remaining amount was to be raised from American show business personalities. That has not proved possible and the company will be financing the project from its own resources.

The rights issue will raise

Pineapple Dance Studios
Year to 31.7.83
Pretax profit £156,000 (£104,000)
Stated earnings 8.85p (6.75p)
Turnover £1,410m (£769,000)
Net final dividend 1.5p (nil)
Share price 115p Yield 1.2%

£1.5m and a further £750,000 from a mortgage facility on the New York property.

Pineapple is also spending £156,000 on a new dance centre in the South Kensington area of London. This new company will raise £468,000 by placing 75 per cent of its equity to investors under the Government's Business Expansion Scheme.

As a result of the rights issue the principal shareholders in Pineapple, Niss Debbie Moore and her husband, Mr N. D. Masters, will see their stake fall from 60 to 34 per cent.

Treasury lists 45 applications

Scramble for freeport status

By John Lawless

The Treasury yesterday announced a list of 45 possible freeports, but made it plain that only a limited number will be sanctioned on an experimental basis early next year.

Although a Treasury minister, Mr Barney Hayhoe, declared himself "delighted" at the response, the Government is known to have doubts about whether the tax-advantageous manufacturing and assembly zones will work in Britain. The Government has never said how many will be allowed to go ahead, but the number will probably only be two or three.

Given the large number of consortiums bidding, the Treasury will be able to apply the strictest tests of possible financial viability before making its choice. A clause on freeports will be inserted in the 1984 Finance Bill.

South Humberside is the most hotly-contested site, with

three bids. There is another application at Hull.

The full list of proposed freeports follow (applicant and location): - Associated British Ports Holding, Southampton; Barrat Scottish Properties, Aberdeen; Belfast Harbour Commissioners, Belfast; Blue Circle Industries, Darford, Kent; Bourneouth Borough and Dorset County Councils, Hurn Airport, Bourneouth; British Waterways Board, Sharpness Docks, Gloucestershire; Bryant Samuel Properties, Birmingham Airport, West Midlands; BWC Partnership (London), Thurrock Park, Essex; Central Regional Council, Grangeonouth; Childale, Lympe industrial estate, Ashford, Kent; City of Edinburgh Council, Edinburgh; Hull Council, Hull Docks; Swansea Council, Swansea; Dundee Port Authority, Dundee; East Midlands Airport Joint Committee, East Midlands; Leicester, Leicestershire; Falmouth Docks & Engineering Co, Falmouth; Foyle Development Organization, Londonderry; Freeport Operators (South Humberside), North Killingholme, South Humberside; Hellberg

& Harris International, Solihull, West Midlands; Inverclyde District Council, Clyde estuary; Kyle & Carrick District Council, Prestwick, Ayrshire; Croydoun Borough, Croydoun; Manchester International Airport Authority, Manchester Airport; Medway Ports Authority, Sheerness Docks & Chatham Dockyard; Mersey Docks & Harbour Company, Liverpool port; North East Regional Airport Committee, Newcastle Airport; Northern Ireland Airports, Belfast Airport; Peace (Wales), South Glamorgan; Port of Bristol Authority, Bristol; Port of Felixstowe, Felixstowe; Renfrew Council, Clyde & Glasgow Airport, RTZ Estates, Avon Mouth & Thameside, Sally Viking Line, Manston, NE Kent; Sealink (UK), Fishguard, Harwich and Newhaven; Sunbrough Airport, Shetland; Simon Storage Group, North Killingholme, Southampton Airport, Southampton Airport; Southampton Quay Co, Teignmouth, Devon; Wallace Field, Liverpool; West Midlands Freeport, Birmingham International Airport.

YOUR OWN BUSINESS

Tax relief in two new funds

The Tweedledum and Tweedledee of business expansion funds were launched this week. Both funds operate under the Business Expansion Scheme designed to give tax relief to high rate taxpayers when they invest in certain unquoted companies, but the differences are more striking, writes Vivien Goldsmith.

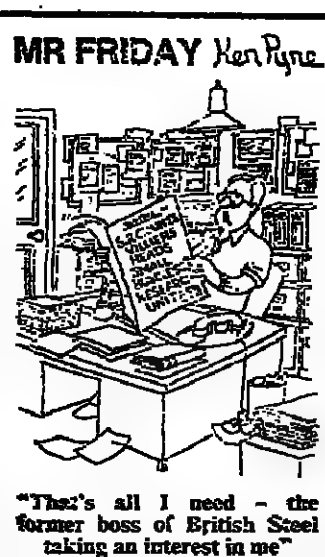
The 1983/4 Baronsmead Expansion Scheme is run by Baronsmead Associates which began life a year ago backed by Newmarket (Venture) a director of County Bank.

The County fund plans to invest the £2.5m in 10 companies in the next 12 months. The Baronsmead fund, however, is a "hands-off" approach and will not take a seat on the board. They are looking for well established companies. The Bank is proud to say it has never had a bad investment in manufacturing and distributive industries - businesses which others found "were not sexy enough". The fund will not be seeking out high technology investments.

BRIEFING

In contrast the Baronsmead fund which raised £1.5m privately without advertising and closed oversubscribed, is committed to technology companies. Of the six companies they are already negotiating with, two are technology companies and four are technology manufacturers. "They are state of the art rather than leading edge," said Dr Richard Hargreaves, Baronsmead's managing director and instigator of the fund. "We want high growth companies so we can get people's money back. At the end of five years you don't want your money in 20 private companies. We see our responsibility to give people money back - not shares unless they are quoted."

Baronsmead insists on a "hands-on" approach with one of their men on the board. Typically they would charge £5,000 for the directors' time but there are no "front-end" fees. "I don't think you should get paid for doing nothing," said Dr Hargreaves. Baronsmead charges a fee based on a sliding percentage of the capital raised - typically 3 per cent. The fund will be invested in syndication with institutions who will be expected to put up secondary money when the scheme ends in five years time.



"That's all I need - the former boss of British Steel taking an interest in me"

Small engineering companies are taking to achieve a level output and profit possible within existing resources, according to studies by Dr Alan Hankinson, head of the business research unit at Dorset Institute of Higher Education, Dorchester.

The Institute of Cost and Management Accountants has awarded a research grant to Dr Hankinson so that he can investigate in greater detail small engineering companies in Wessex. The Institute regards the research as important for a wide variety of small businesses throughout Britain.

Companies investigated have not made the right pricing decisions on tenders and contracts and have failed to construct efficient programmes to deal with subsequent orders, Dr Hankinson found. The effect of market forces was not anticipated.

In Bristol, where there is an oversupply of offices, the newly-opened Bristol Business Centre has launched a flexible system of office rental to meet the needs of small business. Office space can be rented by the hour if needed. A screened desk with telephone can be had for £3.50 and hour or for as little as £20 a week. A licensing deal can run from a week to six months. At extra cost a full range of office services are available including secretarial, telex, facsimile and word-processing. These can be used only when needed and are charged on a time basis.

The Centre, a private venture in which £500,000 has been spent in converting a former department store in Clifton, offers a modern office environment and a good business address. It is open to appeal particularly to professionals in a service industry. Contact: Bristol Business Centre, Magda House, 78 Queens Road, Clifton, Bristol BS8 1QX. Telephone (0272) 25964.

How help came just in time for the librarian's wine bar

by Patricia Tisdall



Elizabeth Philip at the entrance to the St John's restaurant.

Proof that the enterprise agency can be of practical help even though it offers advice rather than cash lies in the wine-bar partnership started by Mrs Elizabeth Philip, a former librarian.

The partnership, which was one of the very first small businesses aided by the London Enterprise Agency (LEA), is not only alive but thriving. Four years after starting up it is turning over more than £500,000 and employs more than 50 people of whom 30 are full-time.

A second wine-bar restaurant opened recently in the crypt of St John's Church in Westminster and capacity in the original premises in railway arches near the Royal Festival Hall has doubled.

The agency's help was crucial on two separate occasions during the start-up period. Without it the venture could well have sunk, even though Mrs Philip and the two other partners - her husband Anthony who has just left IBM to look after themselves and Miss Tamara Aird, a journalist - are familiar with the ways of bureaucracy.

The first crisis occurred over finance. The combined talents of the partnership produced a well-researched, well-presented business case. Although this received a sympathetic hearing from the managers of five clearing bank branches, none was prepared (or able) to fund a £40,000 gap between the initial estimate of renovation and the final reality.

By raising a second mortgage on their own home and by persuading a brother to buy out a half-share of a parent's house, the Philips raised £20,000. A property company was found which was prepared to contribute a further £30,000 - all of which seemed sufficient to acquire the lease on the arches and to pay for building work which included basics like sewage and plumbing. When more detailed estimates showed costs rising to more than £60,000, Miss Aird stepped in with £10,000.

When the final survey, in April 1979, indicated an additional figure of £100,000, the partnership was at its wits end. "We spent a nightmare weekend," recalls Mrs Philip, who by then had been living with the idea for two years. "I felt I just wanted to run away and hide."

At this point she spotted an advertisement from Lenta and immediately diverted her morning commuter journey to arrive on the doorstep of Brian Wright at the agency director's new offices.

Mr Wright and his colleagues promptly introduced the partnership to the Midland Bank - a founder partner of Lenta. There its business case not only had a sympathetic hearing but also the necessary loan facility, as well as "a precious we had dealt out at branch level" explains Mrs Philip.

"The managers there said they were unable to help without collateral or a track record" in business. There was a lot of talk about aiding small firms at the time, but little action.

The second crisis occurred about three months later when the final copy of the lease arrived from the GLC which had previously used the arches to store sand and shovels. It contained restrictive clauses which, in the partnership's view, would have made the change of use to a restaurant quite unworkable.

By now a great deal of money had been spent on basic building work and materials. The opening was scheduled for the autumn. Mrs Philip had given up her career as a librarian and was doing odd jobs in other people's wine bars to learn the trade.

She doubts whether they could have had the lease changed without the help of the property expert loaned by Lenta who not only advised but also tackled the GLC directly on behalf of the partnership.

Once it started trading, the partnership has proved well able to stand on its own feet. Its success is due to a combination of sound judgment, hard work and courage. The initial choice of a site which would serve South Bank concert, cinema and theatre patrons in the evening and office workers at lunch-time attracted customers from the first day.

Revenue generated from six days a week trading (Sundays are used for maintenance) has been sufficient to fund expansion initially to a second arch and, in the last three months to another concert venue at St John's Church Square.

A personal liking for concerts as well as the proven success with patrons on the South Bank provided a sympathetic background to negotiations with the church.

These resulted in a rent agreement (inclusive of rates) which is linked to turnover and is a reflection of the overall management style which Mrs Philip's has developed with staff.

She has tried to make this relaxed and generous - "without allowing things to get sloppy" - and also to inject glamour and excitement. Concern for customers is the prime criterion for recruitment rather than vast experience.

If you like your Christmas tree pink

By Derek Harris

A South Wales company, Trees Unlimited, which this week received a £250,000 Government grant to help its development in manufacturing artificial Christmas trees, believes it has found a way to sidestep two problems: cheap Far East imports and a low-technology market.

Imports account for half the market for artificial trees which is estimated to have been worth £25m last Christmas and likely to rise to £30m this year with £25m in sales in prospect for 1984.

But Trees Unlimited, which is based in Gwent and entered the market barely two years ago, found that the importers concentrated on the lower-price end of the market with slim trees that folded completely into a tube. This makes for the most efficient use of cargo space.

Market leader in the artificial tree market by a big margin is Porth Textiles in the Rhondda Valley, which manufactures a wide variety of trees. It has a £1m order book for this Christmas, three quarters of that representing tree orders and the rest various decorations. Around two million artificial trees are being sold in Britain each year, Trees Unlimited has already moved to a bigger factory.

Trees Unlimited took off with help from the Welsh Development Agency (factories with two years rent free) and two loans, totalling £65,000, from British Steel Industry, the corporation arm for aiding small businesses in steel closure areas. The latest grant came from the Welsh Office.

From nearly 180 consultations over three months 37 new businesses have sprung up. The centre is being run by Action Resource Centre, the national charity backed by blue-chip companies which is aimed at helping small companies. Contact: Mr Tony Spence, director, Hull Business Centre, 24 Arlaby Road, Hull; telephone (0482) 27266.

New advice in Hull

Hull Business Centre, a local enterprise agency offering free advice and a counselling service, has been officially opened (see p. 18).

Funding is from local authorities including Hull City Council, but some 30 local companies are helping provide specialist advice for the counselling service. As well as dealing with start-up situations the centre is also helping to develop small businesses.

From nearly 180 consultations over three months 37 new businesses have sprung up. The centre is being run by Action Resource Centre, the national charity backed by blue-chip companies which is aimed at helping small companies. Contact: Mr Tony Spence, director, Hull Business Centre, 24 Arlaby Road, Hull; telephone (0482) 27266.

TO PLACE YOUR BUSINESS TO BUSINESS ADVERTISEMENT RING 01-278 1326 (A-H) STELLA SCRIVENER

BUSINESS (TO) BUSINESS

TO PLACE YOUR BUSINESS TO BUSINESS ADVERTISEMENT RING 01-278 1059 (I-Z) JENNIE SMITH

AT LAST A LONDON OFFICE THAT MAKES REAL BUSINESS SENSE...
It's called EXECUTRADE
EXECUTRADE is for the businessman who wants a prestigious office address and 24 hour manned telephone, telex and fax facilities.
EXECUTRADE is the way to still work from your home, out of town office or factory, but have superb London office and conference facilities - when you need them.
EXECUTRADE is for the businessman who demands the best - but only wants to pay for it when he needs it.
Profits not overheads.
EXECUTRADE avoids traditional establishments costs, and makes a London office an immediate and economic reality.
There is virtually no limit to the ways in which you can adapt the Executrade pay as you go services to meet your own special needs. The complete communications service starts from only £50 per month.
Call 01-828 4377 or write today.

FINANCE!
★ Loans & Mortgages.
★ Residential & Commercial.
★ Business Purchase.
★ Bridging Loans over £5,000 before Contracts.
★ Investment Property Finance.
★ Unsecured Loans from £200 to Homeowners & Tenants.
Problem cases welcome.
Send s.a.e. for written quote:
CAPITAL Finance & Mortgage Co.
377 Edgware Road, London, W.2.

PROMOTION PUBLICITY AND MARKETING
MARKETING CO. work product sales, advertising, public relations, etc. for all types of business. C.S.I. Ltd. 25, 4th Fl., 100, Victoria Road, London, W.1. 01-636 8444
ESTABLISH YOURSELF as a young business owner. Detailed business plan, financial forecasts, etc. for £12.50. 100, Victoria Road, London, W.1. 01-636 8444
COMMERCIAL AND INDUSTRIAL PROPERTY
PALL MALL No Premium
Prestige firm, carpet showroom/offices all inclusive with phone + fax, from £70 per sq. ft. Short/long term. From £75 pw.
01-839 4808
W2 (Off Edgware Road)
No premium, 24 hr. access. Prestige firm, carpet showroom/offices all inclusive with phone + fax, from £70 per sq. ft. Short/long term. From £75 pw.
01-839 4808
COMPANY SITUATED in Belfast suburbs with access to major roads. 100,000 sq. ft. of space. Suitable for manufacturing, distribution, etc. 100, Victoria Road, London, W.1. 01-636 8444
FOR SALE
Profitable Haulage Business and valuable freehold site. Situated between Portlough and Southampton Dock 2041 H. 01-839 4808
WELL-ESTABLISHED expanding business. 100, Victoria Road, London, W.1. 01-636 8444
FOR SALE
Profitable Haulage Business and valuable freehold site. Situated between Portlough and Southampton Dock 2041 H. 01-839 4808
WELL-ESTABLISHED expanding business. 100, Victoria Road, London, W.1. 01-636 8444
FOR SALE
Profitable Haulage Business and valuable freehold site. Situated between Portlough and Southampton Dock 2041 H. 01-839 4808

BUSINESS OPPORTUNITIES
A REAL BUSINESS OPPORTUNITY
In the interior coatings market, we are offering a unique opportunity to own and operate a business. We have a proven formula for success. 100, Victoria Road, London, W.1. 01-636 8444
OLYMPUS AERO ENGINES
30 cc R.A.F. Vulcan Olympus Jet engine available for immediate sale. 100, Victoria Road, London, W.1. 01-636 8444
FOR SALE
Profitable Haulage Business and valuable freehold site. Situated between Portlough and Southampton Dock 2041 H. 01-839 4808
WELL-ESTABLISHED expanding business. 100, Victoria Road, London, W.1. 01-636 8444
FOR SALE
Profitable Haulage Business and valuable freehold site. Situated between Portlough and Southampton Dock 2041 H. 01-839 4808
WELL-ESTABLISHED expanding business. 100, Victoria Road, London, W.1. 01-636 8444
FOR SALE
Profitable Haulage Business and valuable freehold site. Situated between Portlough and Southampton Dock 2041 H. 01-839 4808

BUSINESS OPPORTUNITIES
A REAL BUSINESS OPPORTUNITY
In the interior coatings market, we are offering a unique opportunity to own and operate a business. We have a proven formula for success. 100, Victoria Road, London, W.1. 01-636 8444
OLYMPUS AERO ENGINES
30 cc R.A.F. Vulcan Olympus Jet engine available for immediate sale. 100, Victoria Road, London, W.1. 01-636 8444
FOR SALE
Profitable Haulage Business and valuable freehold site. Situated between Portlough and Southampton Dock 2041 H. 01-839 4808
WELL-ESTABLISHED expanding business. 100, Victoria Road, London, W.1. 01-636 8444
FOR SALE
Profitable Haulage Business and valuable freehold site. Situated between Portlough and Southampton Dock 2041 H. 01-839 4808
WELL-ESTABLISHED expanding business. 100, Victoria Road, London, W.1. 01-636 8444
FOR SALE
Profitable Haulage Business and valuable freehold site. Situated between Portlough and Southampton Dock 2041 H. 01-839 4808

IF YOU ARE AN ACCOUNTANT
or a PR man, with enough business to handle, we have a unique opportunity to own and operate a business. We have a proven formula for success. 100, Victoria Road, London, W.1. 01-636 8444
OLYMPUS AERO ENGINES
30 cc R.A.F. Vulcan Olympus Jet engine available for immediate sale. 100, Victoria Road, London, W.1. 01-636 8444
FOR SALE
Profitable Haulage Business and valuable freehold site. Situated between Portlough and Southampton Dock 2041 H. 01-839 4808
WELL-ESTABLISHED expanding business. 100, Victoria Road, London, W.1. 01-636 8444
FOR SALE
Profitable Haulage Business and valuable freehold site. Situated between Portlough and Southampton Dock 2041 H. 01-839 4808
WELL-ESTABLISHED expanding business. 100, Victoria Road, London, W.1. 01-636 8444
FOR SALE
Profitable Haulage Business and valuable freehold site. Situated between Portlough and Southampton Dock 2041 H. 01-839 4808

POSTCARD
2,500 for £25.00 (VAT)
5,000 for £45.00 (VAT)
1,000 for only £12.50 (VAT)
REARERS
2,500 from £10.00 + £5.00 from £10.00
PINK (0432) 235344
OFFSHORE TAX HAVEN
Confidential professional advice. Offshore Limited Companies from £25.00 and foreign bank accounts. Complete documentation, services, info. of 100+ Channel Islands, Caribbean etc. Free introductory booklet on request. 100, Victoria Road, London, W.1. 01-636 8444
COMPANIES IN TROUBLE
Insolvency - cash flow
Liquidation
It's not too late
We can help
01-834 8575
Fletcher Brown & Co
CAMBRIDGE SECRETARIAL COLLEGE
17, Station Road, Cambridge
0223 68245
BOOKS
Charles W. Traylen
Antiquarian Bookseller.
Rare Books bought/sold.
49/50 QUARRY STREET, GUILDFORD.
TEL: 572424
CURTAINMASTER
Commercial and industrial cleaners.
London's Specialist Service
01-640 2212
SHOEMAKERS
DEUSS
HANDMADE SHOES & BOOTS
Made to measure in a few days.
01-584 3321
EXPRESS COMPANY REGISTRATIONS LIMITED
25 City Road, London EC1
Tel: 01-628 5434
TELEX We use the most economical and confidential telex sharing service. 100, Victoria Road, London, W.1. 01-636 8444
STRATEGIES FOR SURVIVAL
brochure, free Philip Gibson (for consultation) 01-636 8444
also on page 24

Why the present Great Depression could turn out to be worse than the Thirties

Economic notebook

Mr Nigel Lawson, the Chancellor, likes to take digs at the 364 economists who, in 1981, were moved to tell his predecessor, Sir Geoffrey Howe, that his tough tax-raising Budget would "deepen the depression". On the contrary, Mr Lawson told the City recently, the beginnings of recovery dated from just that time.

Academics, however, never take kindly to having their theories slighted. Now two of those 364 critics have taken the Government to task in an exhaustive critique of the economic policies pursued in Mrs Thatcher's first term of office.

Professors Willem Buiter of the London School of Economics and Marcus Miller of Warwick University, who are rated among the best and brightest of the new generation of eclectic economists, do not even believe that Britain has yet experienced what could be called an economic recovery. We are apparently in a "growth-recession", with the growth of output remaining below the growth of productive potential.

Assuming a modest long-run growth trend of 1½ per

cent, broadly in line with the experience of the 1970s after the oil crisis, the gap between potential and actual output has widened to 8.5 percentage points this year, they estimate.

"Prospects for sustained recovery, that is, a significant and lasting reduction in the gap between actual and potential output, remain poor, given current and announced future policy and the likely development of world economic activity," Buiter and Miller say.

This would mean that the Great Depression of the 1930s could turn out to be worse than the Great Depression of the 1930s. In the five years following 1932, national output grew by 4.3 per cent a year and unemployment fell from 15.6 per cent in 1932 to 7.8 per cent in 1937. Growth of this order in the next five years is not expected even by the Treasury.

One by one Buiter and Miller dissect the Government's claims to success.

Inflation has been substantially reduced - but only at

great cost in lost output and jobs; a price which, at the time, monetarists said Britain would not have to pay. They argued that once people accepted the government's determination to bring inflation down they would quickly adjust their own wage and price behaviour accordingly, minimising adverse effects on the economy. Instead, behaviour changed only slowly as the recession deepened.

In addition, the chief cause of falling inflation was not so much adherence to strict targets for money growth, which repeatedly overshoot them, but a continuing fiscal squeeze which deflated demand, the professors argue.

They also have disconcerting things to say about the "productivity phoenix" - the claim that the recession, by weeding out the weak and inefficient, has speeded the transition to new, higher productivity uses.

Buiter and Miller suggest that the rapid increase in productivity since 1980 can be almost completely explained

by two factors: in contrast to previous recessions, companies have not taken on labour in the upswing because they do not believe it will be strong or sustained; and widespread scrapping of least efficient plant and equipment has raised the average productivity of what is left.

"The current productivity record of much of British manufacturing industry is like the cricket team that improves its batting average by only playing its better batsmen! As long as the tail-enders score some runs, however, it would surely be better to play them even if it does lower the side's batting average."

If productivity growth were indeed set upon a higher trend, continued contractionary policies would give rise to even higher unemployment, the professors warn.

"The Macroeconomic Consequences of a Change in Regime: The UK under Mrs Thatcher" by Willem Buiter and Marcus Miller. Revision of paper presented to the Brookings Panel on Economic Activity on September 15/16 1983.

Frances Williams

BP's dual American policy: heads we win, tails we win

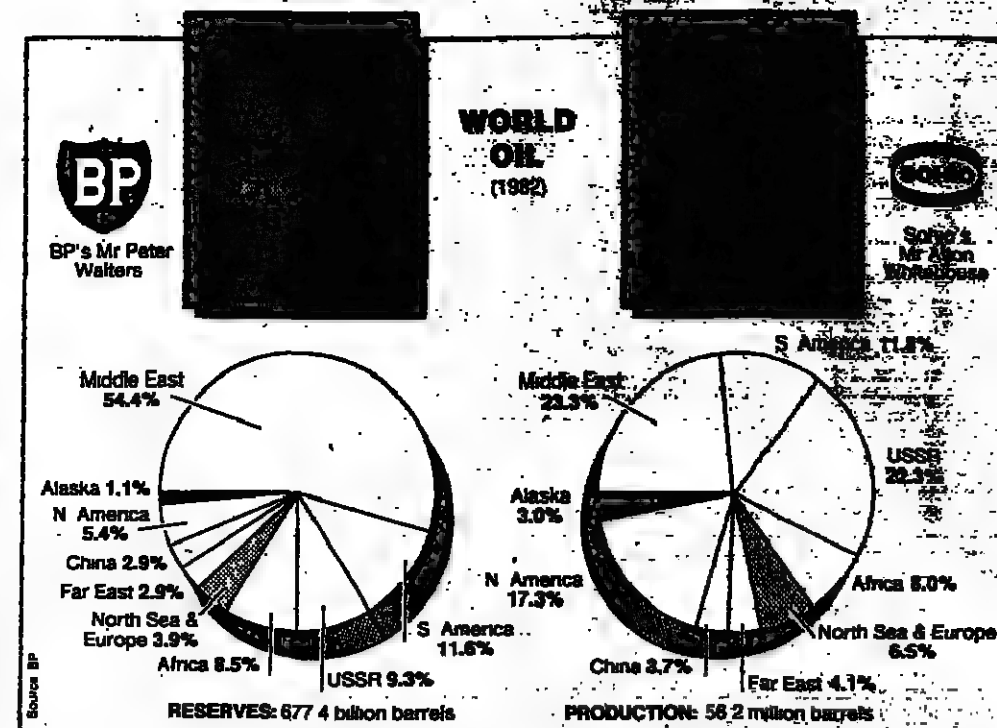
Bids close today for the tender offer for part of BP's Forties Field from which the company is expected to raise a substantial sum. Much of BP's funding, however, now comes from North America where, as David Young, Energy Correspondent, shows, its double-headed attack on the market has provoked criticism.

By this evening there will be some new names in the oil industry and BP will be better off by at least £260m possibly even double that.

The newcomers will have a stake in the North Sea's largest and most productive field as well as considerable tax advantages. BP will have cash to go out and do what it does best: search for oil.

The sale of 12 per cent of the Forties Field by BP is being made by tender with the bids closing today. BP set a minimum price of £2.25m for each of the 40 per cent units on sale.

The remaining shares will be sold at 1 per cent units. Brokers estimate that BP



could raise more than double the £260m from companies which are able to eliminate tax

payments fully through offsetting exploration and development spending in future years. The Government acted to prevent the tax advantages being retrospective but, it seems, that has done little to diminish interest in the sale.

BP's chairman, Mr Peter Walters, says: "We will get more than the minimum sum but we will not know how much until we examine the bids and assess the striking price."

The sale has attracted most of the companies already operating in the North Sea, but what has surprised BP is the interest from companies with no previous oil industry interests.

"There are some very surprising bids," said a BP spokesman.

Even for a cash-rich company such as BP - dollars flow through the transatlantic pipeline into coffers of BP North America and Sohio, BP's US associate - the cash from the Forties sell-off comes at a convenient time.

The development of the South East Forties field will be given the go-ahead by the end of this year and BP will have to place orders for the necessary hardware. The cost of the South East Forties will be higher because of the Government's insistence that techniques originally planned by BP should be backed by more conventional recovery systems so that more of the oil in the field can be brought ashore.

And in China BP has five exploration concessions in the South China Sea. Drilling is due to start on the first of these, with costs likely to be similar to those in the North Sea.

Elsewhere, BP is in the position of being able to use BP North America as its source of funds. The decision to finance BP's exploration on the North West shelf of Australia from New York points to the way BP will develop and utilise its assets in North America.

How effectively this can be done depends on how the BP set-up in North America is viewed. Is it inefficient in allowing BP North America (BPNA) and Sohio to develop and compete in broadly similar areas, or is it sensible to adopt a policy described by some as "heads we win, tails we win"?

The first view has its supporters. BPNA is involved in minerals through its stake in Amoco and Sohio owns the Kennecott copper mines. BP has coal interests in the US. Sohio owns the Big Ben Coal Company. Both have holdings in the transatlantic pipeline, and while BP has transferred its Alaskan oil fields to Sohio, both companies are exploring for oil in other areas of Alaska.

Sohio is actively looking for exploration opportunities outside the US to absorb its cash surplus from Alaska and BP is determined to maintain its role as a world leader in oil exploration.

However, on closer examination, the view favoured by the BP main board of separate development in the US by the two companies is understandable.

BP would find it difficult, because of US anti-trust regulations, to increase its share of Sohio from its present 53 per cent, and although it is entitled

to a majority on the board BP is content to have only three directors.

Mr Alan Mamm, president of BPNA, says: "Sohio is an extremely well-run oil company and all BP proposals are discussed by the BP board in London."

"As the major shareholder, we have the power of veto, but Sohio has never done anything, or suggested anything, which we haven't approved of."

"There are areas which Sohio doesn't want to get involved in while BP takes the view that as a major oil company we should. Therefore, we can become involved in these areas through BPNA."

Sohio's new-found wealth is what has led it into potential competition with BPNA. Ironically, the Sohio profits come from the Alaskan assets which BP swapped for 53 per cent of the company in 1969.

Mr David Atton, vice president of corporate strategy for Sohio, says:

"On general technical matters we have an exchange of information with BP in London and BPNA in New York, but BP does not interfere with our strategy."

"Our planning is done for the benefit of all our stockholders - it just happens that 53 per cent of the stock is held by BP. We compete with BP and we cooperate with BP."

"We compete with BP and we cooperate with BP"

- SOHIO (53% OWNED BY BP)

Mr Atton's own appointment illustrates the help that BP has given to Sohio, which at the time of the takeover was an ultra-conservative petrol marketing company with steady if unspectacular earnings from its two refineries and a strong marketing position in Ohio.

He was among a group of BP people transferred from London to help break into new areas of exploration and production. After returning to London, he left BP for two years in other industries before returning to the US to become an employee of Sohio, which is now first in the US in terms of oil reserves and second behind Exxon in terms of production.

Sohio remains a comparatively conservative company, which has used Alaska profits since 1977 to clear its debts. But last week it announced a \$36 billion ten-year investment programme, exploration.

BPNA has diversified more adventurously into a wide range of non-oil areas.

However, the jewel in BPNA's crown remains BP Alaska, with its holding in the transatlantic pipeline and oil field leases in Alaska, including the Kuparuk field beside Prudhoe Bay.

It is in this area that any clash with Sohio would arise if those who take the view that there is too much duplication between the two operations were correct.

APPOINTMENTS

Cornhill Insurance: Mr Owen Green, managing director of BTR, and Mr Norman Ireland, the financial director of BTR, have joined the board. Mr Ireland takes over as chairman.

Brengreen (Holdings): Mr F. R. Agar has been promoted to deputy chairman. He will relinquish his position as chairman and managing director of Executive Cleaning Group. Mr R. Pope has been appointed managing director of Exclusive.

Shell UK: Sir Francis Tombs has joined the board as a non-executive director.

Trident Television: Sir Gordon Booth has been made a director.

Scottish Offshore Investors: Mr I. T. H. Logie has become a director.

Hoegh Robinson (London): Mr P. E. Paulson becomes chairman and Mr B. J. Budis managing director. Messrs C. W. M. Berkeley, R. Curbery, T. J. Carden, R. E. Galbraith, N. M. Greenwood, J. A. M. Harrod, M. Howe, M. W. O'Brart, J. Seager and R. J. Webster have been made directors.

Vesper Hovermarine: Mr Eason Furnell has been made managing director.

Base Lending Rates

ABN Bank	9%
Barclays	9%
BCCI	9%
Citibank Savings	11.0%
Consolidated Crds	9%
Continental Trust	9%
C. Hoare & Co	9%
Lloyds Bank	9%
Midland Bank	9%
Nat Westminster	9%
TSB	9%
Williams & Glyn's	9%

† Mortgage Base Rate.
 * 7 day deposit on basis of tender
 £10,000, 9.5%; £25,000 up to
 £50,000, 9.75%; £50,000 and
 over, 10%.

HAPPILY, THE BUCHANAN BLEND IS STARTING TO SHOW ITS AGE.



His new "Buchanan Blend" was a smooth marriage between the consistency of grain whiskies and the character of malt whiskies.

And its success was rapid and vast.

The Buchanan Blend became a favoured drink everywhere from Music Halls to noble households and founded a world-wide export market.

While James Buchanan went on to become a Peer, a philanthropist and the owner of two Derby winners.

THE BUCHANAN BLEND TODAY

The Buchanan Blend may not be the easiest brand to find in the shops.

But it rewards the determined seeker.

As already mentioned, the youngest whisky in the Blend is a full 8 years old.

Which is rare even among the good quality brands.

And another distinctive difference is the goodly measure of matured malt whisky that can be tasted in every dram of The Buchanan Blend.



A little extra maturity makes remarkable differences to whisky. That's why the minimum of 3 years maturing necessary to become a "Scotch Whisky" is not enough for the quality brands.

It is exactly this pursuit of excellence which ensures that the youngest whisky in The Buchanan Blend is a full 8 years old - a fact now proudly displayed on the bottle.

Of course, you can find even older whiskies, but generally at much higher prices.

It is simply The Buchanan Blend's lot to be somewhat superior among the good quality brands.

ANOTHER AGE

Apart from the new label, The Buchanan Blend has long shown its age in a quite different sense: it is one of the earliest of the great whisky names still enduring.

Back in the 1880's, whisky was unpopular outside Scotland.

It varied widely in quality and strength and many attempts were being made to balance the drink by blending.

One of the first men to succeed with such a blend was James Buchanan, once a £10-a-year Glasgow shipping clerk.



THE SCOTCH OF A LIFETIME

مركزنا من الأصل

BOXING

**Watson's
points
are only
reward**

[illegible]

Motoring by Clifford Webb

Alfa Romeo Italy is in the third year of a five-year masterplan

But one of the worst problems was the attitude of the largely northern management team installed at Pomigliano. They did not want to go there in the first place, never believed in it and gave the impression that the sooner it closed the sooner Alfa could fall back on its northern base and make profits again.

In 1978 the Government stepped in and a new management team took over. It spent the first year assessing the situation and the second year proposing solutions. They began in 1980 with a three-year programme to modernize Pomigliano which had been largely designed to use maximum labour. It was hopelessly outdated by modern standards. But why throw more good money down the drain on a labour force that was clearly the most bloody-minded in Europe?

The answer according to Sor Perugia is that small but promising changes are taking place in the attitude of the workers. Some of them have now been at the factory for more than ten years. Faced with firm new direction, not to mention the fear of losing their jobs in the next round of cuts, they are beginning to accept the requirements of a different culture. Absenteeism has fallen to 15 per cent, still two points worse than Milan, but a vast improvement nevertheless.

The new Alfa 33 replacement for the Alfasud has been designed with far fewer parts to accommodate the use of huge banks of robots and multi-weld machines. This in itself should improve quality and certainly the completed body shells I saw leaving the factory on Monday were well put together and finished.

The same cannot be said for the final assembly and trim line because with our hosts insisting that we were running out of time, we were rushed through that key area in a small bus with dirty windows, a practice which is becoming all too common in Italian car plants.

It is much too early yet to pass judgment on the outcome of the latest attempt to come to grips with the problems of the factory that lies in the shadow of Vesuvius. But if goodwill will help there is certainly a deal of that in the motoring world for the Alfa Romeo marque.



By any standards, the Daihatsu Charade 1 litre diesel is a car with a difference. Not only is it the smallest diesel in volume production but it has only three cylinders. It also made its debut in Britain recently accompanied by its own pretty remarkable claims for its power.

The quoted output of 37 bhp is said to be the best yet achieved per litre by any diesel. It still falls well short of equivalent-sized petrol engines. But can any engine, petrol or otherwise, match a claimed consumption of 103.5 mpg in an official Japanese Government test and an astonishing 164 mpg in a "competitive economy run?"

Let us dispose of those consumption figures first. They were obtained under totally freak conditions. For instance, the 105 mpg was recorded at a constant 37.5 mpg on a static machine. Now a good driver may be able to keep a fairly constant speed on a

Vital statistics
Model: Daihatsu Charade High
Roof Diesel
Price: \$4,699
Engine: 993cc 3-cylinder diesel
Performance: maximum speed
76 mph, 0-60 mph 20.8 secs
Official consumption: Urban
58.85 mpg, 56 mph 78.47 mpg,
75 mph 42.8 mpg
Length: 11.6 ft
Insurance: Group 3/4

deserted road for a few minutes but to cover 105 miles on one gallon you need to keep that up for one hour.

Official British Government figures give a better guide, if only for use as a comparison against similarly obtained figures from other makes. But even they do not

reveal a car's real thirst in normal road conditions. The official figure for Charade on the urban test cycle is 58.85 mpg but my average over one week's motoring in mixed conditions was only 45 mpg.

The answer is to be found in the way the sprightly little engine delivers its power. Driven normally it is slow but kept on or close to its limit it is a very adequate performer. It will rouse at the start of a run, but then slump for long periods with no sign of rum. The small amount of travel in the accelerator pedal is another factor contributing to heavier than expected consumption. Several times I thought I was travelling at quarter throttle only to find the needle on the oil pressure gauge floored the needle.

If I have seemed unduly hard on the Charade it is because I am becoming increasingly disenchanted with the battle of words now being waged on the subject of fuel consumption. The time is more than overdue for a return to saner marketing tactics.

That aside, the Charade diesel at £4,499 is still a practical proposition for the budget-conscious motorist. It costs £200 more for the high roof version necessary to accommodate a sliding roof without loss of head room and this is a worthwhile addition. Even so, it compares with the £4,600 for the Metro HTF and £4,320 for Ford's 957cc

With diesel fuel now available in many parts of the country at 25¢ a gallon less than petrol, Charade must be considered by the high mileage motorist. He must be prepared for far more engine noise than he is ever likely to meet in a petrol-driven car. I found it tiring on a long run.

Today's television and radio programmes

Edited by Peter Daville

BBC 1

6.00 **Casualty** News and information, available on all TV sets, telecast or otherwise.

6.30 **Breakfast** Time with Frank Bough and Pam Britton. The Friday "specials" include pop news (between 7.45 and 8.00) and Audrey Eytan's keep-fit phone-in (8.30-9.00). The regular items include news at 8.30 and then half-hourly until 9.30, sport at 8.45, 9.15 and 9.45, and the 10.15 and 10.45 and 11.00, Morning papers review (7.15 and 8.15) and horoscope (between 8.15 and 8.45).

9.00 **My Music** Early morning treat, with Steve Rave putting the questions to Frank Muir, Denis Norden and Ian Wallace (P). Close-down at 9.25.

10.30 **Play School** 10.55 Play Ideas. Close-down at 11.05.

12.30 **News After Noon** with Richard Whitmore and Frances Coverdale. A 57-minute report. And subtitled news.

1.00 **Pebble Mill** at One: Behind the scenes with Radio 4's daily programme. Today, Co-ordinator John Timpson is interviewed about his new book. Plus the winners of the national giant vegetable competition. Musical guest: singer and comedienne Karen Lay. 1.45 Little Misses and the Mister Men: for the tiny tots.

2.00 **Championship Bowling**: Quarter-finals of the CIS Insurance United Kingdom Indoor Bowls Championship. (Coverage may be interrupted because of an industrial dispute.)

3.55 **Play School**: It's Friday. 4.30 **Bananas**: with the voices of some of the Goodies. 4.35 **Jacksons**: Hannah Gordon reads from *Rumer Godden's* *Mr. Morden's Hallow* (P). 4.40 **Take It Here** with string and 5.00 **Clockwork**: with snooker champion Kirk Stevens, Sarah Greene, Jimmy Crichton, Madam Romance and David Joseph. 5.15 **The Hot Desk**.

5.40 **Sixty Minutes** includes news (at 5.40), regional magazines, (5.53) weather (6.15) and closing headlines (6.38) - All these things are approximate.

6.40 **Friday Sports** with Desmond Lynam.

6.55 **Show business**: Peter Adamson, Len Fairclough and his new role in the West End; Tommy Steele on keeping fit; and Sally James's relationship with John Wayne. On video? Debbie Reynolds and Shelley Long.

7.20 **Play**: Carry On... Up the Khyber (1959). Duff and the old team practically intact. Fun is had with practically every North West Frontier epic ever made.

8.45 **Points of View**: Barry Took light-heartedly replies to viewers' bouquets and brickbats.

9.00 **News** with Sue Lawley. And weekend weather prospects.

9.25 **Knots Landing**: The Avery marriage takes a turn for the worse. And reluctantly, Karen agrees to let Gary offer Abby her old job back at the motor company.

10.15 **My Kind of Music**: Moira Anderson, with Tony Hatch and his Orchestra.

10.45 **News headlines**. And weather.

10.50 **Film**: *Dulcima* (1971). Film version of the A. E. Bates story about a scheming young girl (Carol White) who, while posing as housekeeper for a married woman (John Mills), meets up with a handsome young gamekeeper (Stuart Wilson). Co-starring Bernard Lee. Written and directed by Frank R. Strick. Ends at 12.30am.

TV-am

6.25 **Good Morning Britain** with Nick Owen and Anne Diamond. Today's "specials" include Popeye 7.20 Viewers' Views on the Monday Moan 7.30 Women's TV 8.36 and Diane Dora's 8.42 Regular items include news at 8.30 and then half-hourly until 9.00, then at 9.25. Today's papers 9.25. Sport at 9.35, 9.45, and 9.55. Mad Lizzie (8.45 and 9.15 and 9.45) and 10.00, Morning papers review (7.15 and 8.15) and horoscope (between 8.15 and 8.45).

ITV/LONDON

9.25 **Thames news headlines**. 9.30 **For schools**: Nerve impulse (biology), 9.47 Life with the Hodgkins. 10.09 Care of the teeth. 10.25 Materials (craft, design, technology). 10.43 Trade union membership. 11.05 Dragons. 11.22 Adventure in Venice. 11.38 Peak District and Sheffield.

12.00 **We'll Tell You a Story**: includes the story of Confucius (P). 12.10 **Rainbow**: repeated at 4.00. 12.30 **Positive Thinking**: Fresh initiatives in preventive medicine. Today: heart disease.

1.00 **New**. 1.20 **Thames area news**. 1.30 **About Britain**: A Bit of England for Sale. What happened to the estate's villages when Hever Castle in Kent was sold.

2.00 **Private Benjamin**: US Army comedy series. 2.30 **Falcon Crest**: Drama series about a California wine-growing family headed by Jane Wyman (P). 2.50 **Blockbusters**: Teenagers' general knowledge quiz.

4.00 **Children's ITV: Rainbow** (P). 4.20 **Dangermouse**: episode 5 of *Dangermouse* Saves the World Again. 4.25 **Goody**: fun with a home video recorder. 4.50 **The Dinosaur Train**: Flying monsters. And John Noakes. 5.15 **The Young Doctors**.

5.45 **News**. 6.00 **The 6 o'clock Show** with London news features and star guests.

7.00 **Family Fortunes** with Max Bygraves. The Colles from York versus the Pages from Ipswich.

7.30 **The A-Team**: An SOS comes from a nun when an orphanage is overrun by drunken terrorists.

8.30 **A Fine Romance**: The return of Judi Dench and Michael Williams as the totally unconventional lovers in Bob Larbey's exceptionally entertaining romantic comedy series. Tonight: why there is an empty place at the family lunch table.

9.00 **The Outsider**: Final episode of the drama series about scandalous happenings in rural Yorkshire.

10.00 **News from ITN**.

10.30 **The London Programme**: A detailed analysis of the Government's plan for abolishing the Greater London Council and giving its powers to the London boroughs. The conclusion this programme comes to is that the plan is unworkable. Apart from the highly complex financial arrangements that would be necessary, there is the big headache of the voluntary committees would face in sorting out inter-borough problems like roads.

11.00 **The Race for Winter**: How four towns, back in September 1982, tried to break the existing record of three hours, 10 minutes in the Beauvais Nouvau race from Macon to London.

11.30 **Continental Movie**: They Call it an Accident (1981). French-made drama about a married woman who is forced to the staff at a clinic where her young son died. Starring Nathalie Delon (who also wrote and directed the film) and Patrick Rournet. Followed by *Night Thoughts*.

11.45 **Championship Bowling**: more from Preston until 12.40.

12.00 **Good Behaviour**: episode two of this three-part adaptation of Mollie Keane's novel about a family of Anglo-Irish aristocrats living in Ireland since the 18th century. Richard (Robert Curran) plays Aaron (Joanne Burbage) a visit in her bedroom, and the family are two terrible blows. With Hannah Gordon and Daniel Massey as Major and Mrs St. Charles. (See Choice).

12.05 **Championship Bowling**: Highlights of quarter-finals day in the CIS Insurance UK Indoor Bowls Championships. More at 11.45.

12.00 **Nightvision**: Includes a special filmed report from Dublin which has become the heroin capital of Europe (four times the number of addicts in London).

12.45 **Championship Bowling**: more from Preston until 12.40.



Judi Dench, Michael Williams: A Fine Romance (ITV, 8.30pm)

● **GOOD BEHAVIOUR**, Hugh Leonard's adaptation of the Mollie Keane novel, continues on its winning way (BBC 2, 9.25pm), turning Friday nights into something special in the world of *Frank Delaney* is doing to Monday night. *The Great Palace: the Story of Parliament* is threatening to do to Thursday nights. Last week, it was that unfortunate affair of Mrs Brock's tale seaside dip that briefly ruffled the surface of life at Temple Alice. Tonight, the writers of *The Palace* blow up a minor gap in the series, something much more over the top, and the charming Hubert makes a sudden exit. The unpaid bills of the economics continue to rattle away against the lid of the wooden box to which Mother has consigned them, and Aaron's expectations of

coupling would not have survived into a third series without Mr. Larbey's flair for writing funny lines that constantly hug the coastline of credibility.

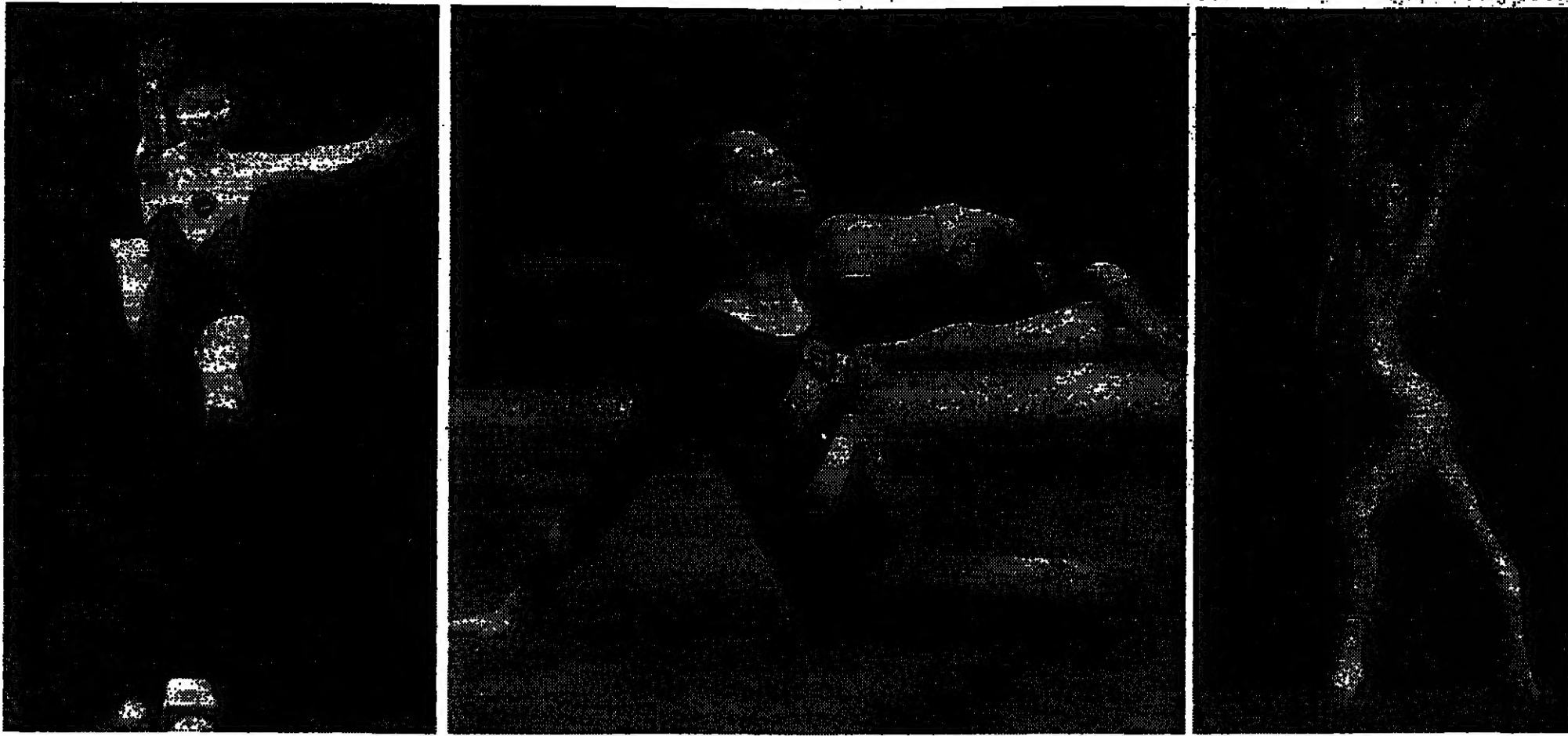
● There is comedy over on Channel 4, too, WHO DARES, WINS A WEEK IN BENDS (10.05pm) is a bit of a dark horse because it goes out live. What raises one's hopes is the knowledge that it is the work of a team of unusually gifted comedy writers, and that the cast includes at least one familiar face - Brenda Blethyn - who translates every show which she appears.

● ENJOYING OPERA (Radio 4, 4.10) puts the arguments for, and against, opera being sung in their natural language. Always a hotly-debated issue, the controversy is given a fresh push by the present City of London production of Boris Godunov. Nearly four hours of Russian.

● **Radio 4**

6.00 News Briefing. 6.25 Shipping Forecast. Today's Shipping Forecast: 6.25. 6.30 **For the Day**. 6.55 **Weather**. 7.00, 8.00 **Today's News**. 7.25, 8.00 **Today's News**. 7.45 **Today's News**. 8.00 **Today's News**. 8.15 **Today's News**. 8.30 **Today's News**. 8.45 **Today's News**. 9.00 **Today's News**. 9.15 **Today's News**. 9.30 **Today's News**. 9.45 **Today's News**. 10.00 **Today's News**. 10.15 **Today's News**. 10.30 **Today's News**. 10.45 **Today's News**. 11.00 **Today's News**. 11.15 **Today's News**. 11.30 **Today's News**. 11.45 **Today's News**. 12.00 **Today's News**. 12.15 **Today's News**. 12.30 **Today's News**. 12.45 **Today's News**. 1.00 **Today's News**. 1.15 **Today's News**. 1.30 **Today's News**. 1.45 **Today's News**. 2.00 **Today's News**. 2.15 **Today's News**. 2.30 **Today's News**. 2.45 **Today's News**. 3.00 **Today's News**. 3.15 **Today's News**. 3.30 **Today's News**. 3.45 **Today's News**. 4.00 **Today's News**. 4.15 **Today's News**. 4.30 **Today's News**. 4.45 **Today's News**. 5.00 **Today's News**. 5.15 **Today's News**. 5.30 **Today's News**. 5.45 **Today's News**. 6.00 **Today's News**. 6.15 **Today's News**. 6.30 **Today's News**. 6.45 **Today's News**. 7.00 **Today's News**. 7.15 **Today's News**. 7.30 **Today's News**. 7.45 **Today's News**. 8.00 **Today's News**. 8.15 **Today's News**. 8.30 **Today's News**. 8.45 **Today's News**. 9.00 **Today's News**. 9.15 **Today's News**. 9.30 **Today's News**. 9.45 **Today's News**. 10.00 **Today's News**. 10.15 **Today's News**. 10.30 **Today's News**. 10.45 **Today's News**. 11.00 **Today's News**. 11.15 **Today's News**. 11.30 **Today's News**. 11.45 **Today's News**. 12.00 **Today's News**. 12.15 **Today's News**. 12.30 **Today's News**. 12.45 **Today's News**. 1.00 **Today's News**. 1.15 **Today's News**. 1.30 **Today's News**. 1.45 **Today's News**. 2.00 **Today's News**. 2.15 **Today's News**. 2.30 **Today's News**. 2.45 **Today's News**. 3.00 **Today's News**. 3.15 **Today's News**. 3.30 **Today's News**. 3.45 **Today's News**. 4.00 **Today's News**. 4.15 **Today's News**. 4.30 **Today's News**. 4.45 **Today's News**. 5.00 **Today's News**. 5.15 **Today's News**. 5.30 **Today's News**. 5.45 **Today's News**. 6.00 **Today's News**. 6.15 **Today's News**. 6.30 **Today's News**. 6.45 **Today's News**. 7.00 **Today's News**. 7.15 **Today's News**. 7.30 **Today's News**. 7.45 **Today's News**. 8.00 **Today's News**. 8.15 **Today's News**. 8.30 **Today's News**. 8.45 **Today's News**. 9.00 **Today's News**. 9.15 **Today's News**. 9.30 **Today's News**. 9.45 **Today's News**. 10.00 **Today's News**. 10.15 **Today's News**. 10.30 **Today's News**. 10.45 **Today's News**. 11.00 **Today's News**. 11.15 **Today's News**. 11.30 **Today's News**. 11.45 **Today's News**. 12.00 **Today's News**. 12.15 **Today's News**. 12.30 **Today's News**. 12.45 **Today's News**. 1.00 **Today's News**. 1.15 **Today's News**. 1.30 **Today's News**. 1.45 **Today's News**. 2.00 **Today's News**. 2.15 **Today's News**. 2.30 **Today's News**. 2.45 **Today's News**. 3.00 **Today's News**. 3.15 **Today's News**. 3.30 **Today's News**. 3.45 **Today's News**. 4.00 **Today's News**. 4.15 **Today's News**. 4.30 **Today's News**. 4.45 **Today's News**. 5.00 **Today's News**. 5.15 **Today's News**. 5.30 **Today's News**. 5.45 **Today's News**. 6.00 **Today's News**. 6.15 **Today's News**. 6.30 **Today's News**. 6.45 **Today's News**. 7.00 **Today's News**. 7.15 **Today's News**. 7.30 **Today's News**. 7.45 **Today's News**. 8.00 **Today's News**. 8.15 **Today's News**. 8.30 **Today's News**. 8.45 **Today's News**. 9.00 **Today's News**. 9.15 **Today's News**. 9.30 **Today's News**. 9.45 **Today's News**. 10.00 **Today's News**. 10.15 **Today's News**. 10.30 **Today's News**. 10.45 **Today's News**. 11.00 **Today's News**. 11.15 **Today's News**. 11.30 **Today's News**. 11.45 **Today's News**. 12.00 **Today's News**. 12.15 **Today's News**. 12.30 **Today's News**. 12.45 **Today's News**. 1.00 **Today's News**. 1.15 **Today's News**. 1.30 **Today's News**. 1.45 **Today's News**. 2.00 **Today's News**. 2.15 **Today's News**. 2.30 **Today's News**. 2.45 **Today's News**. 3.00 **Today's News**. 3.15 **Today's News**. 3.30 **Today's News**. 3.45 **Today's News**. 4.00 **Today's News**. 4.15 **Today's News**. 4.30 **Today's News**. 4.45 **Today's News**. 5.00 **Today's News**. 5.15 **Today's News**. 5.30 **Today's News**. 5.45 **Today's News**. 6.00 **Today's News**. 6.15 **Today's News**. 6.30 **Today's News**. 6.45 **Today's News**. 7.00 **Today's News**. 7.15 **Today's News**. 7.30 **Today's News**. 7.45 **Today's News**. 8.00 **Today's News**. 8.15 **Today's News**. 8.30 **Today's News**. 8.45 **Today's News**. 9.00 **Today's News**. 9.15 **Today's News**. 9.30 **Today's News**. 9.45 **Today's News**. 10.00 **Today's News**. 10.15 **Today's News**. 10.30 **Today's News**. 10.45 **Today's News**. 11.00 **Today's News**. 11.15 **Today's News**. 11.30 **Today's News**. 11.45 **Today's News**. 12.00 **Today's News**. 12.15 **Today's News**. 12.30 **Today's News**. 12.45 **Today's News**. 1.00 **Today's News**. 1.15 **Today's News**. 1.30 **Today's News**. 1.45 **Today's News**. 2.00 **Today's News**. 2.15 **Today's News**. 2.30 **Today's News**. 2.45 **Today's News**. 3.00 **Today's News**. 3.15 **Today's News**. 3.30 **Today's News**. 3.45 **Today's News**. 4.00 **Today's News**. 4.15 **Today's News**. 4.30 **Today's News**. 4.45 **Today's News**. 5.00 **Today's News**. 5.15 **Today's News**. 5.30 **Today's News**. 5.45 **Today's News**. 6.00 **Today's News**. 6.15 **Today's News**. 6.30 **Today's News**. 6.45 **Today's News**. 7.00 **Today's News**. 7.15 **Today's News**. 7.30 **Today's News**. 7.45 **Today's News**. 8.00 **Today's News**. 8.15 **Today's News**. 8.30 **Today's News**. 8.45 **Today's News**. 9.00 **Today's News**. 9.15 **Today's News**. 9.30 **Today's News**. 9.45 **Today's News**. 10.00 **Today's News**. 10.15 **Today's News**. 10.30 **Today's News**. 10.45 **Today's News**. 11.00 **Today's News**. 11.15 **Today's News**. 11.30 **Today's News**. 11.45 **Today's News**. 12.00 **Today's News**. 12.15 **Today's News**. 12.30 **Today's News**. 12.45 **Today's News**. 1.00 **Today's News**. 1.15 **Today's News**. 1.30 **Today's News**. 1.45 **Today's News**. 2.00 **Today's News**. 2.15 **Today's News**. 2.30 **Today's News**. 2.45 **Today's News**. 3.00 **Today's News**. 3.15 **Today's News**. 3.30 **Today's News**. 3.45 **Today's News**. 4.00 **Today's News**. 4.15 **Today's News**. 4.30 **Today's News**. 4.45 **Today's News**. 5.00 **Today's News**. 5.15 **Today's News**. 5.30 **Today's News**. 5.45 **Today's News**. 6.00 **Today's News**. 6.15 **Today's News**. 6.30 **Today's News**. 6.45 **Today's News**. 7.00 **Today's News**. 7.15 **Today's News**. 7.30 **Today's News**. 7.45 **Today's News**. 8.00 **Today's News**. 8.15 **Today's News**. 8.30 **Today's News**. 8.45 **Today's News**. 9.00 **Today's News**. 9.15 **Today's News**. 9.30 **Today's News**. 9.45 **Today's News**. 10.00 **Today's News**. 10.15 **Today's News**. 10.30 **Today's News**. 10.45 **Today's News**. 11.00 **Today's News**. 11.15 **Today's News**. 11.30 **Today's News**. 11.45 **Today's News**. 12.00 **Today's News**. 12.15 **Today's News**. 12.30 **Today's News**. 12.45 **Today's News**. 1.00 **Today's News**. 1.15 **Today's News**. 1.30 **Today's News**. 1.45 **Today's News**. 2.00 **Today's News**. 2.15 **Today's News**. 2.30 **Today's News**. 2.45 **Today's News**. 3.00 **Today's News**. 3.15 **Today's News**. 3.30 **Today's News**. 3.45 **Today's News**. 4.00 **Today's News**. 4.15 **Today's News**. 4.30 **Today's News**. 4.45 **Today's News**. 5.00 **Today's News**. 5.15 **Today's News**. 5.30 **Today's News**. 5.45 **Today's News**. 6.00 **Today's News**. 6.15 **Today's News**. 6.30 **Today's News**. 6.45 **Today's News**. 7.00 **Today's News**. 7.15 **Today's News**. 7.30 **Today's News**. 7.45 **Today's News**. 8.00 **Today's News**. 8.15 **Today's News**. 8.30 **Today's News**. 8.45 **Today's News**. 9.00 **Today's News**. 9.15 **Today's News**. 9.30 **Today's News**. 9.45 **Today's News**. 10.00 **Today's News**. 10.15 **Today's News**. 10.30 **Today's News**. 10.45 **Today's News**. 11.00 **Today's News**. 11.15 **Today's News**. 11.30 **Today's News**. 11.45 **Today's News**. 12.00 **Today's News**. 12.15 **Today's News**. 12.30 **Today's News**. 12.45 **Today's News**. 1.00 **Today's News**. 1.15 **Today's News**. 1.30 **Today's News**. 1.45 **Today's News**. 2.00 **Today's News**. 2.15 **Today's News**. 2.30 **Today's News**. 2.45 **Today's News**. 3.00 **Today's News**. 3.15 **Today's News**. 3.30 **Today's News**. 3.45 **Today's News**. 4.00 **Today's News**. 4.15 **Today's News**. 4.30 **Today's News**. 4.45 **Today's News**. 5.00 **Today's News**. 5.15 **Today's News**. 5.30 **Today's News**. 5.45 **Today's News**. 6.00 **Today's News**. 6.15 **Today's News**. 6.30 **Today's News**. 6.45 **Today's News**. 7.00 **Today's News**. 7.15 **Today's News**. 7.30 **Today's News**. 7.45 **Today's News**. 8.00 **Today's News**. 8.15 **Today's News**. 8.30 **Today's News**. 8.45 **Today's News**. 9.00 **Today's News**. 9.15 **Today's News**. 9.30 **Today's News**. 9.45 **Today's News**. 10.00 **Today's News**. 10.15 **Today's News**. 10.30 **Today's News**. 10.45 **Today's News**. 11.00 **Today's News**. 11.15 **Today's News**. 11.30 **Today's News**. 11.45 **Today's News**. 12.00 **Today's News**. 12.15 **Today's News**. 12.30 **Today's News**. 12.45 **Today's News**. 1.00 **Today's News**. 1.15 **Today's News**. 1.30 **Today's News**. 1.45 **Today's News**. 2.00 **Today's News**. 2.15 **Today's News**. 2.30 **Today's News**. 2.45 **Today's News**. 3.00 **Today's News**. 3.15 **Today's News**. 3.30 **Today's News**. 3.45 **Today's News**. 4.00 **Today's News**. 4.15 **Today's News**. 4.30 **Today's News**. 4.45 **Today's News**. 5.00 **Today's News**. 5.15 **Today's News**. 5.30 **Today's News**. 5.45 **Today's News**. 6.00 **Today's News**. 6.15 **Today's News**. 6.30 **Today's News**. 6.45 **Today's News**. 7.00 **Today's News**. 7.15 **Today's News**. 7.30 **Today's News**. 7.45 **Today's News**. 8.00 **Today's News**. 8.15 **Today's News**. 8.30 **Today's News**. 8.45 **Today's News**. 9.00 **Today's News**. 9.15 **Today's News**. 9.30 **Today's News**. 9.45 **Today's News**. 10.00 **Today's News**. 10.15 **Today's News**. 10.30 **Today's News**. 10.45 **Today's News**. 11.00 **Today's News**. 11.15 **Today's News**. 11.30 **Today's News**. 11.45 **Today's News**. 12.00 **Today's News**. 12.15 **Today's News**. 12.30 **Today's News**. 12.45 **Today's News**. 1.00 **Today's News**. 1.15 **Today's News**. 1.30 **Today's News**. 1.45 **Today's News**. 2.00 **Today's News**. 2.15 **Today's News**. 2.30 **Today's News**. 2.45 **Today's News**. 3.00 **Today's News**. 3.15 **Today's News**. 3.30 **Today's News**. 3.45 **Today's News**. 4.00 **Today's News**. 4.15 **Today's News**. 4.30 **Today's News**. 4.45 **Today's News**. 5.00 **Today's News**. 5.15 **Today's News**. 5.30 **Today's News**. 5.45 **Today's News**. 6.00 **Today's News**. 6.15 **Today's News**. 6.30 **Today's News**. 6.45 **Today's News**. 7.00 **Today's News**. 7.15 **Today's News**. 7.30 **Today's News**. 7.45 **Today's News**. 8.00 **Today's News**. 8.15 **Today's News**. 8.30 **Today's News**. 8.45 **Today's News**. 9.00 **Today's News**. 9.15 **Today's News**. 9.30 **Today's News**. 9.45 **Today's News**. 10.00 **Today's News**. 10.15 **Today's News**. 10.30 **Today's News**. 10.45 **Today's News**. 11.00 **Today's News**. 11.15 **Today's News**. 11.30 **Today's News**. 11.45 **Today's News**. 12.00 **Today's News**. 12.15 **Today's News**. 12.30 **Today's News**. 12.45 **Today's News**. 1.00 **Today's News**. 1.15 **Today's News**. 1.30 **Today's News**. 1.45 **Today's News**. 2.00 **Today's News**. 2.15 **Today's News**. 2.30 **Today's News**. 2.45 **Today's News**. 3.00 **Today's News**. 3.15 **Today's News**. 3.30 **Today's News**. 3.45 **Today's News**. 4.00 **Today's News**. 4.15 **Today's News**. 4.30 **Today's News**. 4.45 **Today's News**. 5.00 **Today's News**. 5.15 **Today's News**. 5.30 **Today's News**. 5.45 **Today's News**. 6.00 **Today's News**. 6.15 **Today's News**. 6.30 **Today's News**. 6.45 **Today's News**. 7.00 **Today's News**. 7.15 **Today's News**. 7.30 **Today's News**. 7.45 **Today's News**. 8.00 **Today's News**. 8.15 **Today's News**. 8.30 **Today's News**. 8.45 **Today's News**. 9.00 **Today's News**. 9.15 **Today's News**. 9.30 **Today's News**. 9.45 **Today's News**. 10.00 **Today's News**. 10.15 **Today's News**. 10.30 **Today's News**. 10.45 **Today's News**. 11.00 **Today's News**. 11.15 **Today's News**. 11.30 **Today's News**. 11.45 **Today's News**. 12.00 **Today's News**. 12.15 **Today's News**. 12.30 **Today's News**. 12.45 **Today's News**. 1.00 **Today's News**. 1.15 **Today's News**. 1.30 **Today's News**. 1.45 **Today's News**. 2.00 **Today's News**. 2.15 **Today's News**. 2.30 **Today's News**. 2.45 **Today's News**. 3.00 **Today's News**. 3.15 **Today's News**. 3.30 **Today's News**. 3.45 **Today's News**. 4.00 **Today's News**. 4.15 **Today's News**. 4.30 **Today's News**. 4.45 **Today's News**. 5.00 **Today's News**. 5.15 **Today's News**. 5.30 **Today's News**. 5.45 **Today's News**. 6.00 **Today's News**. 6.15 **Today's News**. 6.30 **Today's News**. 6.45 **Today's News**. 7.00 **Today's News**. 7.15 **Today's News**. 7.30 **Today's News**. 7.45 **Today's News**. 8.00 **Today's News**. 8.15 **Today's News**. 8.30 **Today's News**. 8.45 **Today's News**. 9.00 **Today's News**. 9.15 **Today's News**. 9.30 **Today's News**. 9.45 **Today's News**. 10.00

Russian teenagers bring grace and poise to Wembley



Poetry in motion: The annual display of teenage acrobatic genius at Wembley (from left) Olga Bicherova, Tatiana Frolova and Natalia Ilenko (Photographs: Chris Cole)

Women's hospital to close next year

By Nicholas Timmins, Health Services Correspondent

The Government yesterday approved the closure of the South London Hospital for Women, the only general hospital in Britain to guarantee treatment by women, and the Lewisham and North South-west Health Authority announced the closure of 180 beds, including more than 100 beds in five wards at Guy's Hospital.

The decisions were announced on the day that Mr Neil Kinnock, leader of the Labour Party, launched its campaign to "Save the NHS", claiming that patients were in "mortal danger" because of government cuts.

The closure at Guy's, Lewisham, New Cross and Hither Green hospitals, and the virtual closure of all outpatient services at St Olave's Hospital in Bermondsey, where in-patient services have been "temporarily" closed for four years, have been approved by the health authority in an effort to save £2.4m which will still leave

the authority £700,000 over-spent this year.

The closures are described as temporary, but Mr David Berriman, chairman of the authority, said yesterday that the closures would be "effectively permanent", cutting by 4,500 the total of 37,000 patients treated annually in the district.

The closure next April of the 170-bed South London Hospital for Women on Clapham Common, Wandsworth, was announced by Mr Kenneth Clarke, Minister for Health.

There had been a 10-month campaign by local and women's organizations to keep the hospital open, with support from the Conservative National Women's Committee and from Lady Howe, wife of Sir Geoffrey Howe, the Foreign Secretary.

The closure will save Wandsworth Health Authority £5m. In the short term the money will provide £2m for better services to the mentally ill.

Divorce Bill to facilitate clean break

By Julian Haviland, Political Editor

Changes in the divorce laws of England and Wales, notably in the law governing financial provision, and minor changes in the Scottish law are proposed in the Matrimonial and Family Proceedings Bill, published yesterday.

For England and Wales, the Bill will amend the Matrimonial Causes Act 1973 to facilitate a "clean break" after divorce by enabling a claim for maintenance payments to be dismissed, instead of requiring at least a nominal order to be made which could be increased substantially years later. It also requires full consideration to be given to financial support for the children of a marriage.

But the bill has been criticized by Mr Ole Hansen, co-director of the radical Legal Action Group who says in its current monthly bulletin: "It is based on the false claim that women have been receiving more favourable treatment in the courts."

Syrian proposal seizes initiative in Geneva

Continued from page 1

trying to conceal the contents of the pact before it was signed.

It transpires now that Mr Salem travelled to Damascus with a draft of the text on May 2 this year but refused to give a copy to Mr Khaddam. The Syrian Foreign Minister asked to read the draft and then handed it to his secretary to photo-copy, at which point - according to Mr Khaddam - Mr Salem pursued the secretary across the room and tried to grab back the text. His attempt failed.

Mr Khaddam told delegates at the conference that this proved that Lebanon had never wished to gain Syria's prior approval.

On hearing this tale, Mr Saeb Salam, the former Lebanese Prime Minister and one of the more impartial of the delegates, reportedly announced that Mr Khaddam's account was of "the greatest importance".

Syria has probably spent as much time demanding respect for its own supposed political integrity as it has supporting the pro-Syrian Lebanese opposition. It is now throwing its weight behind a formula that just might permit the conference to end in official accord but that seems unlikely ever to gain Israel's approval. Syria presumably knows this.

The bloodshed in Lebanon is therefore unlikely to end whatever honeyed words might be used to conclude the reconciliation conference in the next day or two. The Lebanese are going to find that grave military developments still threaten their broken country in the very near future.

Grenadines start again, page 7
Arafat men attacked, page 6

Jobless fall by 73,400

Continued from page 1

September about 395,000 people were in jobs, training or early retirement instead of claiming unemployment benefits as a result of these measures, now costing the Exchequer £26m a year.

In addition, nearly 162,000 men unemployed over 60 have opted for early retirement under this year's Budget and are no longer included in the official jobless total.

Mr Nigel Lawson, speaking during the election campaign before he became Chancellor, predicted that the number of jobless would start to fall next year.

His optimism is echoed by some private forecasters.

The Shadow Employment Secretary, Mr John Smith, said: "While I welcome any drop in unemployment, the savage reality is that high unemployment is here to stay as long as the Government refuses to take direct action to reduce it."

Frank Johnson in the Commons

Jenkins blinds us in the art of darkness

The chamber was several times affected by a power failure during the debate on foreign affairs last night.

All power failures connected with foreign affairs are at the moment fashionably blamed on Sir Geoffrey Howe, the Foreign Secretary. But, as the lights went out for the first of the several times, we all sat there in the gloom assuming that in the outside world all sorts of desperate groups were claiming responsibility: the Provisional IRA, the Greater London Council, the electricians' union.

It happened first as a speech by Mr Roy Jenkins was getting under way. One moment, Mr Jenkins, the experienced international statesman, was cranking himself up. The next moment he was in the dark or anyone else.

For once, total darkness at the start of a foreign affairs speech by Mr Jenkins could not be blamed on the rather over-subtle, even ponderous, way in which he tends to ease his way into his orations. The one thing that was certain was that the lights were out. Everybody cheered.

From somewhere in the void, Mr Jenkins could be heard making an appropriate remark about Sir Edward Grey. The rest was silence. We all waited. The cheers and laughter subsided as the House waited for strong leadership.

This was magnificently provided by Mr Harold Wilson, a half-of-the-earth type from the old Labour union interest who is now Deputy Speaker and who happened to be in the Chair for this crisis. With a chuckle in his voice, he could be heard reassuring members: "This is the Deputy Speaker speaking. The sitting is suspended."

From the gallery, we could hear the sound down below of people leaving the chamber: presumably the women and children. Poring down into the gloom, it was possible to discern the Deputy Speaker in consultation with the whips and with the men in wigs and black robes who sit at the big table in front of the Chair.

Soon, the men in wigs left the chamber, presumably to mend the fuse. Lamps were brought by the badge messengers.

After four minutes, the lights went on again. Everybody cheered. Mr Jenkins resumed his speech. The lights

went out again. Everybody cheered.

Mr Jenkins disappeared once more into nothingness. The badge messengers, who were only half way out of the chamber with the lamps, turned back. A few minutes later the lights came on again.

Mr Walker said we should all wait "for an engineers' report" before resuming the debate. We were in the hands of the experts, as politicians usually are. One was pleased to note that the representatives of the engineers' union on the Labour benches were no less useless than the rest of us in the situation.

After a while, Mr Walker reported that it was safe to start again. Mr Jenkins resumed his speech with a further reference to Sir Edward Grey.

By now Mr Jenkins had understandably forgotten what he had been talking about. So he developed such subjects as the relationships between Prime Ministers and Foreign Secretaries with special reference to something being "especially true in the latter days of the Lloyd George coalition" which was probably much more interesting.

As for the rest of the debate, Mr Denis Healey made yet another change of policy by being responsible. Piously, he feared "a wave of anti-Americanism" sitting on the benches behind him said nothing. He stopped bullying Sir Geoffrey. Instead he was Professor Healey, lecturing dim Tories about the geography and history of the Lebanon.

So Sir Geoffrey, in his speech, had a less awful time than usual from Mr Healey. Before long, he took care to get off Grenada and get into the most boring detail about Common Market financing. This saw him safely home.

Later, the lights went out once more. The lamps turned. The Chair asked the veteran left-winger Mr Ian Mikardo whether he minded making a speech in these conditions. Mr Mikardo did not mind at all, being one of the House's recognized princes of darkness.

Lit by lamps, with rows of ghostly figures hovering on the benches, the scene took on a sinister beauty. So we all regretted it when the lights came on permanently and the only darkness was in certain speeches.

THE TIMES INFORMATION SERVICE

Today's events

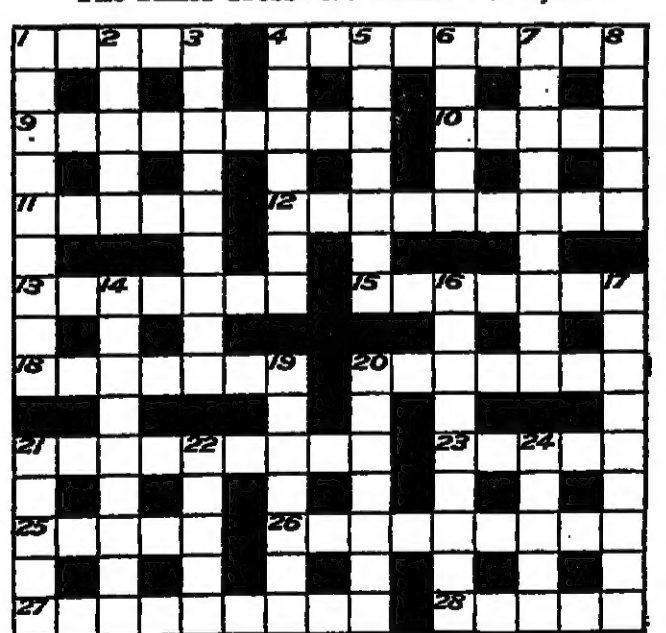
Royal engagements

Princess Anne, President of the Save the Children Fund, attends a luncheon given by the Royal Haulage Association at the Grand Hotel, Bristol, 12.45. Afterwards Her Royal Highness opens the new hall at Monkton Combe Junior School, 3 and later dines with the West Wiltshire Committee of the Save the Children Fund at Monkton Combe, Bath, 6.55.

Princess Alexandra opens the Community Centre at Holbeach, Lincolnshire, 12.40; and later opens the new houseplant complex of Gees Industries Limited at Hawthorne Bank, Spalding, Lincolnshire, 1.45.

New exhibitions
6th Cleveland International Drawing Biennial: an exhibition of works submitted for this competition. Collins Gallery, University of Strathclyde, Richmond.

The Times Crossword Puzzle No 16,278



- ACROSS
- Older players beat it (5).
 - Cover for the dormitory feast? (9).
 - Annoying IRA chief, maybe (9).
 - Shoot some game (5).
 - Retrospect of a defence system (5).
 - Possibly minds Guy embracing redhead - conventional prudery (9).
 - Anything shelved? (7).
 - Main traveller's aid (7).
 - Deserters who may be like cat and dog, for example (7).
 - People looking in someone's eyes? (7).
 - One who haggles can perhaps grin and bear a mishap (9).
 - Reveal shows regret about attempt to return (5).
 - Junk may find harbourage up here (5).
 - Staying fresh always takes endless energy of a sort (9).
 - Hinder male getting help with washing (9).
 - River sailed water-bailiff? (5).
- DOWN
- High society taken aback about minor drug-taking (3,6).
 - Red flower in a penny dreadful (5).
 - Ordering a cocktail by N. American river (3,6).
 - Girl given game by Test opener (7).
 - Shelters for boats (3-4).
 - Took place in a studio (5).
 - Get rid of priest sailor carries in (9).
 - "The glory and the — —" (Wordsworth) (5).
 - By implication, there are still some behind the last (9).
 - Look clever, having identified the plant (9).
 - Distinguished theologian divided about sincere error (7).
 - Seeing that note is genuine (7).
 - Faultless in grammar, perhaps (7).
 - Mark's play (5).
 - Teacher loses head - makes blunder (5).
 - Rising composer has eastern bias (5).



Prize Crossword in The Times tomorrow
CONCISE CROSSWORD PAGE 10

Top films

Top box-office films in London:
1 (1) The Jungle Book/Mickey's Christmas Carol
2 (5) La Traviata
3 (3) Zulu
4 (7) Othello
5 (6) National Lampoon's Vacation
6 (8) Staying Alive
7 (9) War Games
8 (4) The Untouchables
9 (10) Space Hunter: adventures in the forbidden zone
Top five in the provinces:
1 The Boys in Blue
2 War Games
3 Space Hunter: adventures in the forbidden zone
4 National Lampoon's Vacation
5 Party's R. The Next Day.

Food prices

Citrus fruit from the Mediterranean is expected to be cheap and plentiful in the coming months. Spanish satsumas range from 20p to 35p, depending on size. New season Spanish Navelina oranges are also said to be excellent at 8p to 18p each. White grapefruit from Latin America and the Caribbean are 12p to 28p each. Jaffa red 20p to 30p. Apples are still an attractive buy; good Cox's 25p to 45p a pound, Spartan 30p to 38p, Russets 28p to 30p. Golden Delicious 22p to 30p. Newly-arrived American cranberries 60p to 65p, for a 6oz carton.

Exhibitions in progress

Presopate at the Bluecoat - an exhibition of furniture by British designer makers, Bluecoat Gallery, School Lane, Liverpool, 1.10.30 to 5.00 Tuesday to Saturday (ends Nov 26).

St Ives and the Sea: watercolours and oils by Ali Darwish, the Winchester Gallery, Park Avenue, Winchester, Hants, Mon to Fri 9 to 6, Sat 9 to 12, closed Sun (ends Nov 18).

Jack Knox: paintings and drawings 1960-83, at the Museum and Art Gallery, Castle Wynd, Inverness, Mon to Sat 9 to 5 (ends Nov 12).

"Paintings from the Granby Row Studio": Contemporary paintings by artists resident in Manchester; Manchester Polytechnic, Manchester, 1: Mon to Fri 10 to 6 (ends Nov 10).

Opening times

The Department of the Environment has announced the following alterations to the normal opening times for visitors to the State Apartments, Kensington Palace:

21 November closed all day.
22 November closed during the week, opening to visitors at 12.00 noon.

Parliament today

Commons (9.30): Debate on Government assistance to small businesses.

Roads

London and South-east: A409: Single-lane temporary signals in Vauxhall High Street, near Felling Lane, which serves Heathrow and M4. A307: Hill Street, Richmond, closed, diversion congestion at peak periods. A34: Southbound lane closed in Newbury, Berkshire, seek alternative.

Midlands: A38: Contraflow in Alrewas, Staffordshire. A6: Temporary signals on Loughborough-Derby span. A53: Diversion north of Woodlands, Cheshire.

North: A66: Contraflow at junction with A409 at Moxhall Island, nr Meriden.

Wales and West: A428: Temporary lights at Chippington, Wootton Bassett, Wiltshire. A449: Contraflow at junction with A409 at Moxhall Island, nr Meriden.

SW, NW England, S, N Wales, Lake District, Isle of Man, NE England: Drizzle on hills, some bright intervals developing, perhaps isolated showers later; while variable mainly SE light; max temp 11 to 18C (52 to 65F).

Border: Edinburgh, Dundee, Aberdeen, SW Scotland: Glasgow, central Highlands, Argyl, Northern England: Mostly cloudy, rain in places, mainly 5p to 8p. In NW, rain, but clearing, increasing from 10p; max temp 10 to 11C (50 to 52F).

Worcester, NW Scotland, Orkney, Shetland: Bright early, a little drizzle in places, perhaps more persistent later; winds SW moderate, increasing from 10p; rain locally; max temp 9 to 11C (48 to 52F).

Outlook for the weekend: Mostly dry in S but with occasional fog patches, changeable in N; rather warm.

SEA PASSAGES: S North Sea Wind S at night. Strait of Dover, English Channel: Wind light and variable; rain likely; but clearing, rain from 10p. Wind variable light to moderate; sea slight.

Anniversaries

Birch: William, Prince of Orange, and as William III, king of England, Scotland and Ireland, 1688-1702. The Hague, 1650.

Augustus Toplady, clergyman and author of "Rock of Ages" (1740-1816).

1771: George Edward Moore, philosopher, London, 1873. Dunsin, Fife; Montserrat, Leipzig, 1847.

1918: George Bernard Shaw, playwright, Dublin, Ireland, 1896.

1924: Discovery of the gunpowder plot, 1605.

Bond winners

The winning number in the weekly draw for Premium Bond Prizes is, £250,000: 60N 112548 (the winner lives in Wiltshire).

The pound

	Bank	Bank
	Rate	Rate
Australia \$	1.69	1.61
Austria Sch	28.89	27.28
Belgium Fr	83.25	79.25
Canada \$	1.47	1.40
Denmark Kr	8.81	8.41
France Fr	12.30	11.80
Germany DM	4.96	3.87
Greece Dr	155.00	147.00
Italy Lira	1.31	1.26
Japan Yen	240.00	235.00
Netherlands Gld	364.00	346.00
Portugal Esc	11.77	10.87
Spain Ptas	203.00	189.00
South Africa Rd	1.78	1.65
Sweden Kr	235.50	226.50
Switzerland Fr	12.13	11.56
USA \$	2.52	2.15
Yugoslavia Dnr	1.53	1.48
	210.00	195.00

Notes for small denomination bank notes only, as quoted by Barclays Bank International Ltd. and may vary to "street" changes and other foreign currency business.

Retail Price Index: 339.5

London: The FT Index closed up 6.9 at 714.7.

Weather forecast

An area of slack pressure will cover most parts, but a trough of low pressure will move rather quickly across the far north.

6 am to midnight

London, SE, central S, E, central N England, West Wales, E W Midlands, Channel Islands: Mostly dry, fog early and late, sunny or clear periods; while variable mainly SE light; max temp 13 to 18C (55 to 65F).

SW, NW England, S, N Wales, Lake District, Isle of Man, NE England: Drizzle on hills, some bright intervals developing, perhaps isolated showers later; while variable mainly SE light; max temp 11 to 18C (52 to 65F).

Border: Edinburgh, Dundee, Aberdeen, SW Scotland: Glasgow, central Highlands, Argyl, Northern England: Mostly cloudy, rain in places, mainly 5p to 8p. In NW, rain, but clearing, increasing from 10p; max temp 10 to 11C (50 to 52F).

Worcester, NW Scotland, Orkney, Shetland: Bright early, a little drizzle in places, perhaps more persistent later; winds SW moderate, increasing from 10p; rain locally; max temp 9 to 11C (48 to 52F).

Outlook for the weekend: Mostly dry in S but with occasional fog patches, changeable in N; rather warm.

SEA PASSAGES: S North Sea Wind S at night. Strait of Dover, English Channel: Wind light and variable; rain likely; but clearing, rain from 10p. Wind variable light to moderate; sea slight.

Lighting up time

London 6.01 pm to 6.28 am
Bristol 5.11 pm to 6.36 am
Edinburgh 4.59 pm to 6.55 am
Manchester 5.04 pm to 6.43 am
Preston 5.28 pm to 6.46 am

Yesterday

Temperatures at midday yesterday: c, about 1; f, 33; r, 81; s, 68.

The papers

The Daily Mirror claims that the Windscale disclosures have turned what was once a basic plot of science fiction into a fact of life. It says that the programme about cancer near the nuclear plant itself proved nothing but it raised questions that it was necessary to answer. "Sir Douglas Black's inquiry needs to be set against the fact of the concern, and thorough if that concern is to be quashed, if Windscale is cleared, it must be cleared beyond shadow of doubt, because doubt itself is a broader of fear. But if its guilt is proved, the implications will be profound, and the first would be the need to close down the plant."

Americans are entitled to be proud of the swift, clinical little campaign in Grenada, the Daily Express says.

Highest and lowest

Yesterday: Highest day temperature 17C (63F); lowest day temperature 10C (50F); highest rainfall: 0.5 in; lowest rainfall: 0.1 in.

London

Yesterday: Temp: min 8m to 9m, 15C (59F); max 4pm to 5pm, 19C (66F); rain 1.2 in; wind 10-15 mph; sea 1-2 m; visibility 10-15 miles; clouds 10-15%; humidity 75-85%.

Highest and lowest

Yesterday: Highest day temperature 17C (63F); lowest day temperature 10C (50F); highest rainfall: 0.5 in; lowest rainfall: 0.1 in.

© TIMES NEWSPAPERS LIMITED, 1983. Printed and published by Times Newspapers Limited, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.

Registered as a newspaper at the Post Office.

Printed in Great Britain by the Times Newspapers Limited, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.

Printed in Great Britain by the Times Newspapers Limited, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.

Printed in Great Britain by the Times Newspapers Limited, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.

Printed in Great Britain by the Times Newspapers Limited, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.

Printed in Great Britain by the Times Newspapers Limited, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.

Printed in Great Britain by the Times Newspapers Limited, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.

Printed in Great Britain by the Times Newspapers Limited, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28,